JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

General Assembly

of the

Commonwealth of Kentucky

Organizational Session of 1993

Held in the State Capitol in the City of Frankfort,
at Frankfort, in the Year of Our Lord 1993,
and in the Two Hundredth and First
Year of the Commonwealth

Begun on the Fifth Day of January, 1993, and Adjourned
Sine Die on the Eighth Day of January, 1993.

Paid for from state funds.

FOREWORD

The Kentucky Constitution requires each house of the General Assembly to keep a journal as a public accounting of daily legislative activity. It is the official record of action by the General Assembly.

The *Kentucky Revised Statutes* require the Legislative Research Commission to compare, edit, correct, and publish the journals of each chamber. This is the *House Journal* for the Organizational Session of 1993.

The texts of simple and concurrent resolutions appear on first reading or adoption. An appendix contains a table of actions on resolutions, as well as roll call votes.

Mrs. Jean Wallace and Mrs. Wilda Bond prepared the *House Journal* for the Organizational Session of 1993. The edited copy, subject index, and appendix in this volume reflect the cooperative efforts of the LRC.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1993

JOURNAL
OF THE
HOUSE OF REPRESENTATIVES
OF THE
GENERAL ASSEMBLY
OF THE
COMMONWEALTH OF KENTUCKY

ORGANIZATIONAL SESSION OF 1993

TUESDAY, JANUARY 5, 1993

FIRST LEGISLATIVE DAY

At an Organizational Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on Tuesday, January 5, 1993, the two hundredth year of the Commonwealth, in accordance with the provisions of the Constitution, the Speaker Donald J. Blandford, assumed the Chair and called the House to order.

Prayer by Dr. Mark Hopper, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The Clerk read the following certificate from the Secretary of State:

I, Bob Babbage, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, according to the records in the Office of the Secretary of State of the Commonwealth of Kentucky and the best information obtainable, the attached is a true and correct list of the duly elected and qualified members of the House of Representatives of the General Assembly of the Commonwealth of Kentucky.

Given under my hand and seal of office, this 4th day of January 1993.

s/Bob Babbage
Secretary of State
Commonwealth of Kentucky

KENTUCKY GENERAL ASSEMBLY

1993 STATE REPRESENTATIVES

1st DISTRICT
Charles R. Geveden
6th & Lee St.
P. O. Box 518
Wickliffe, KY 42087

2nd DISTRICT
Fred Nesler
Route #2, Carter Road
Mayfield, KY 42066

3rd DISTRICT
Frank Rasche
2929 Jefferson St.
Paducah, KY 42001

4th DISTRICT
Rex Smith
347 Tudor Blvd.
Paducah, KY 42003

5th DISTRICT	Freed Curd 1607 Sycamore Murray, KY 42071
6th DISTRICT	Richard H. Lewis Route 8, Box 507 Benton, KY 42025
7th DISTRICT	Sam M. McElroy Route 1, Box 73 Waverly, KY 42462
8th DISTRICT	H. Ramsey Morris, Jr. 1907 Russellville Road Hopkinsville, KY 42240
9th DISTRICT	James E. "Jim" Bruce 6750 Ft. Campbell Blvd. Hopkinsville, KY 42266
10th DISTRICT	Joseph E. (Eddie) Ballard 1811 Grampian Drive Madisonville, KY 42431
11th DISTRICT	Gross C, Lindsay 783 Woodspoint Drive Henderson, KY 42420
12th DISTRICT	J. Dorsey Ridley 303 South Main Street Dixon, KY 42409
13th DISTRICT	Louis Johnson 3668 Tree Haven Bend Owensboro, KY 42303
14th DISTRICT	Donald J. Blandford 4701 King Road Philpot, KY 42366
15th DISTRICT	Charles "Preacher" Nelson Highway 81 Bremen, KY 42325
16th DISTRICT	June D. Lyne 10904 Clarksville Road Olmstead, KY 42265
17th DISTRICT	Willard "Woody" Allen 3750 Gilstrap Rd. Morgantown, KY 42261
18th DISTRICT	Donald Gedling Route 2 Hardinsburg, KY 40111
19th DISTRICT	Richard A. "Richie" Sanders, Jr. 923 Sulphur Road Smith Grove, KY 42171
20th DISTRICT	Jody Richards 817 Culpeper Street Bowling Green, KY 42103

21st DISTRICT	Billy Ray Smith 2085 Barren River Road Bowling Green, KY 42101
22nd DISTRICT	Richard A. Turner 1292 Earlie Burkes Road Tompkinsville, KY 42167
23rd DISTRICT	Stephen R. Nunn 118 Wingate Glasgow, KY 42141
24th DISTRICT	David R. Hourigan Route 1 Gravel Switch, KY 40033
25th DISTRICT	Jimmie Lee 901 Dogwood Drive Elizabethtown, KY 42701
26th DISTRICT	Virgil L. Pearman 952 N. Woodland Drive Radcliff, KY 40160
27th DISTRICT	Mark S. Brown 170 Washington Street Brandenburg, KY 40108
28th DISTRICT	Bill Lile 11304 Frenchrone Drive Louisville, KY 40272
29th DISTRICT	Dave Stengel 8302 Johnson School Rd. Louisville, KY 40291
30th DISTRICT	Tom Burch 4074 Somoa Way Louisville, KY 40218
31st DISTRICT	Steven Riggs 2832 Richland Avenue Louisville, KY 40220
32nd DISTRICT	Anne Meagher Northup 3340 Lexington Road Louisville, KY 40206
33rd DISTRICT	Bob Heleringer 14209 Glendower Drive Louisville, KY 40245
34th DISTRICT	Mike Ward 1905 Deer Park Avenue Louisville, KY 40205
35th DISTRICT	Jim Wayne 1280 Royal Avenue Louisville, KY 40204
36th DISTRICT	Lonnie Napier 302 Danville Street Lancaster, KY 40444

37th DISTRICT	Paul Clark 4711 South Second Street Louisville, KY 40214
38th DISTRICT	Denver Butler 1533 Southgate Avenue Louisville, KY 40215
39th DISTRICT	Robert R. Damron 231 Fairway West Nicholasville, KY 40356
40th DISTRICT	Donna Shacklette 4204 Greenwell Lane Louisville, KY 40216
41st DISTRICT	Tom Riner 1143 East Broadway Louisville, KY 40204
42nd DISTRICT	Leonard Gray 4153 Hale Louisville, KY 40211
43rd DISTRICT	E. Porter Hatcher, Jr. 901 South Western Parkway Louisville, KY 40211
44th DISTRICT	James Bernard Yates, Sr. 2305 Thurman Drive Shively, KY 40216
45th DISTRICT	Stan Cave 1100 Mt. Rushmore Lexington, KY 40515
46th DISTRICT	Larry Clark 5913 Whispering Hills Blvd. Louisville, KY 40219
47th DISTRICT	Jon W. Ackerson 10402 Edgewater Road Jeffersontown, KY 40223
48th DISTRICT	Bob M. DeWeese 6206 Glen Hill Rd. Louisville, KY 40222
49th DISTRICT	John Harper 5550 N. Preston Shepherdsville, KY 40165-9226
50th DISTRICT	Kenny Rapier 115 Parkview Drive Bardstown, KY 40004
51st DISTRICT	Ray H. Altman 800 Jones Creek Road Finley, KY 42718
52nd DISTRICT	Jeffrey Buis Route 4, Box 117-B Liberty, KY 42539

53rd DISTRICT

Ray Mullinix
208 Baker
Burkesville, KY 42717

54th DISTRICT

Joe Clarke
420 Boone Trail
Danville, KY 40422

55th DISTRICT

Jack L. Coleman, Jr.
365 Curdsville Road
Burgin, KY 40310

56th DISTRICT

Joe Barrows
152 Stout Avenue
Versailles, KY 40383

57th DISTRICT

C. M. "Hank" Hancock
514 Murray Street
Frankfort, KY 40601

58th DISTRICT

Marshall Long
1204 Washington Street
Shelbyville, KY 40065

59th DISTRICT

James F. Zimmerman
3404 Sycamore Road
LaGrange, KY 40031

60th DISTRICT

Kenny R. French
Box 64, Little Sugar Creek Rd.
Warsaw, KY 41095

61st DISTRICT

Royce W. Adams
R.R. 4, Bannister Rd.
Dry Ridge, KY 41035

62nd DISTRICT

Mark Farrow
2785 Stamping Ground Road
Stamping Ground, KY 40379

63rd DISTRICT

Ken Harper
2700 Main Chase Lane
Crestview Hills, KY 41017

64th DISTRICT

Thomas R. Kerr
5415 Old Taylor Mill
Taylor Mill, KY 41015

65th DISTRICT

Martin J. Sheehan
310 View Place
Covington, KY 41011

66th DISTRICT

Charlie Walton
1663 Brierwood Court
Florence, KY 41042

67th DISTRICT

Jim Callahan
101 Bonnie Lynn Terrace
Southgate, KY 41071

68th DISTRICT

William "Bill" Donnermeyer
333 Bonnie Leslie Avenue
Bellevue, KY 41073-1717

69th DISTRICT

Jon David Reinhardt
637 W. Poplar Thicket
Alexandria, KY 41001

70th DISTRICT

Pete Worthington
Route 1, Box 131
Ewing, KY 41039

71st DISTRICT

John Will Stacy
Rt. 5
West Liberty, KY 41472

72nd DISTRICT

Jim LeMaster
127 Duncan Avenue
Paris, KY 40361

73rd DISTRICT

Drew Graham.
10984 Iron Works Road
Winchester, KY 40391

74th DISTRICT

Adrian K. Arnold
3589 Aarons Run Road
Mt. Sterling, KY 40353

75th DISTRICT

Ernesto Scorsone
730 W. Short Street
Lexington, KY 40508

76th DISTRICT

Ruth Ann Palumbo
10 Deepwood Drive
Lexington, KY 40505

77th DISTRICT

Jesse Crenshaw
117 Constitution
Lexington, KY 40507

78th DISTRICT

Leslie Trapp
1045 Lane Allen Road
Lexington, KY 40504

79th DISTRICT

Bill Lear
732 Lakeshore Drive
Lexington, KY 40502

80th DISTRICT

Danny R. Ford
P. O. Box 1245
Mt. Vernon, KY 40456

81st DISTRICT

Harry Moberly, Jr.
164 Redwood Drive
Richmond, KY 40475

82nd DISTRICT

Jo Elizabeth Bryant
310 North 10th Street
Williamsburg, KY 40769

83rd DISTRICT

Tommy Todd
2025 Kenny Lane
Nancy, KY 42544

84th DISTRICT

Clarence D. Noland, Jr.
Sand Hill Road, P.O. Box 364
Irvine, KY 40336

85th DISTRICT	Tom Jensen Curry-Jensen Place London, KY 40741
86th DISTRICT	Tom O'Dell Smith Route 1, Box 338 Gray, KY 40734
87th DISTRICT	Michael Dean Bowling 3 Edgewood Court Middlesboro, KY 40965
88th DISTRICT	Rick Fox 109-C Ivy Hill Harlan, KY 40831
89th DISTRICT	Jim Maggard 197 Collier Ave. Jackson, KY 41339
90th DISTRICT	Stephen (Connie) Keith Route 8, Box 216 Manchester, KY 40962
91st DISTRICT	Paul Mason 101 Colorado Ave. Whitesburg, KY 41858
92nd DISTRICT	Russell Bentley HC 80, Box 3020 Topmost, KY 41862
93rd DISTRICT	N. Clayton Little HC 83, Box 385 Virgie, KY 41572
94th DISTRICT	Herbert (Herbie) Deskins, Jr. 27 Windward Lane Coal Run, KY 41501
95th DISTRICT	Gregory D. Stumbo Fred's Fork Prestonsburg, KY 41653
96th DISTRICT	Walter Gee Route 1, Hitchins Road Grayson, KY 41143
97th DISTRICT	Hubert Collins Route 276, Box 1140 Wittensville, KY 41274
98th DISTRICT	Ronald R. Cyrus 1410 Cyrus Court Flatwoods, KY 41139
99th DISTRICT	Rocky Adkins P.O. Box 688 Sandy Hook, KY 41171
100th DISTRICT	Donald B. Farley 3208 Hackworth Street Ashland, KY 41101

Representative Stumbo moved that the Journal show that each member produced a Certificate of Election and that such certificates be confirmed. Agreed.

Separate Certificates of Election were filed on September 30, 1992 for Representatives Adams and Shacklette for fulfillment of unexpired terms for the 61st and 40th Districts respectively.

The roll was called. All members present.

Representative Stumbo moved that floor privileges be granted to special guests. Agreed.

Said Representatives produced their Certificates of Election, appeared before the Presiding Officer and were administered their oaths of office by The Honorable Robert F. Stephens, Chief Justice, Kentucky Supreme Court.

Representative Stumbo moved the nomination of the following House Constitutional Officers to serve until 12 midnight, December 31, 1993:

Evelyn Marston	Chief Clerk
Julie Wheat	Assistant Clerk
Margaret Watts	Enrolling Clerk
Emmett A. Slattery	Sergeant at Arms
William E. Davis	Chief Doorkeeper
Lawrence Parrish	Cloakroom Keeper
Albert Robinson	Cloakroom Keeper
George Fritz	Janitor
Jessica Call	Page
Joe Thomas	Page
Melanie Parrish	Page
Matthew E. Coldiron	Page

Representative Stumbo moved that the nominations cease and that the Constitutional Officers be elected by acclamation. Agreed.

The oath of office was administered to the Constitutional Officers by Donald J. Blandford, Speaker of the House of Representatives.

I, Bob Babbage, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, the attached is a true and exact copy of the Certificate of Election issued this date to Donna Shacklette as the duly elected member of the House of Representatives of the General Assembly, 40th State Representative District, of the Commonwealth of Kentucky.

Given under my hand and seal of office, this 30th day of September, 1992.

s/Bob Babbage
Secretary of State
Commonwealth of Kentucky

COMMONWEALTH OF KENTUCKY

State Board of Elections

Frankfort, Ky., September 29, 1992

The undersigned, a Board for examining the returns of an election held on Tuesday, the 15th day of September, 1992, for State Representative Fortieth Representative District (unexpired term) of the State of Kentucky, do certify that DONNA SHACKLETTE received the highest number of votes given for that office, as certified to the Secretary of State, and is, therefore, duly and regularly elected for the term prescribed by the Constitution.

s/Bob Babbage
Chairman, State Board of Elections

s/Charles W. Buchanan
Member

s/James H. Rankin
Member

s/John Chowing
Member

s/John Caudill
Member

s/Hade Durbin
Member

s/Jane G. Bruce
Member

Attest: s/George Russell
Executive Director
State Board of Elections

I, Bob Babbage, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, the attached is a true and exact copy of the Certificate of Election issued this date to Royce W. Adams as the duly elected member of the House of Representatives of the General Assembly, 61st State Representative District, of the Commonwealth of Kentucky.

Given under my hand and seal of office, this 30th day of September, 1992.

s/Bob Babbage
Secretary of State
Commonwealth of Kentucky

COMMONWEALTH OF KENTUCKY

State Board of Elections

Frankfort, Ky., September 29, 1992

The undersigned, a Board for examining the returns of an election on Tuesday, the 15th day of September, 1992, for State Representative Sixty-first Representative District (unexpired term) of the State of Kentucky, do certify that ROYCE W. ADAMS received the highest number of votes given for that office, as certified to the Secretary of State, and is, therefore, duly and regularly elected for the term prescribed by the Constitution.

s/Bob Babbage
Chairman, State Board of Elections

s/Charles W. Buchanan
Member

s/James H. Rankin
Member

s/John Chowing
Member

s/John Caudill
Member

s/Hade Durbin
Member

s/Jane G. Bruce
Member

Attest: s/George Russell
Executive Director
State Board of Elections

Introduction of Resolutions

HR 1, by Representatives Blandford and Stumbo: A RESOLUTION adopting temporary rules to govern the 1993 Organizational Session of the House of Representatives.

Representative Stumbo moved the adoption of the following **HR 1**:

HR 1, A RESOLUTION adopting temporary Rules to govern the 1993 Organizational Session of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Rules adopted to govern the 1992 Regular Session of the House of Representatives be adopted as the Rules governing the 1993 Organizational Session of the House of Representatives.

HR 1 was adopted by voice vote.

HR 2, by Representatives Blandford and Stumbo: A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the 1993 Organizational Session of the House of Representatives with prayer.

Representative Stumbo moved the adoption of the following **HR 2**:

HR 2, A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the 1993 Organizational Session of the House of Representatives with prayer.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant at Arms be directed to invite the pastors of the various churches of Frankfort to attend the 1993 Organization Session meetings of the House of Representatives and open the sessions thereof with prayer.

HR 2 was adopted by voice vote.

Representative Damron moved that the rules be suspended to introduce and act upon Resolutions. Agreed.

HR 3, by Representative Damron: A RESOLUTION in memory and honor of Cecil Allen Fain of Nicholasville.

HR 4, by Representative Damron: A RESOLUTION in memory and honor of William Michael Wheeler of Nicholasville.

Representative Damron moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION in memory and honor of Cecil Allen Fain, of Nicholasville.

WHEREAS, it is with heavy heart and deep sadness that we reflect on the tragic death of Cecil Allen Fain; and

WHEREAS, Cecil Allen Fain joined the Lexington Fire Department three years ago after having previously served on the Nicholasville Fire Department; and

WHEREAS, the conscientious young firefighter also served as a volunteer with the Jessamine County Fire Department; and

WHEREAS, for Cecil Allen Fain, life was a humane undertaking; and

WHEREAS, in his capacity as a volunteer, this courageous Kentuckian tragically died at the young age of twenty-seven; and

WHEREAS, Cecil Allen Fain was devoted to his family and held the respect of his neighbors in the community; and

WHEREAS, Cecil Allen Fain was the devoted husband of Paula Carson Fain and loving father of Kaihlab Allen Fain; and

WHEREAS, Cecil Allen Fain will be remembered for his kindness and humane undertakings and will be sorely missed by his family and friends;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does hereby express its profound sense of sorrow upon the death of Cecil Allen Fain and does extend to his family its most heartfelt sympathy.

Section 2. That the Clerk of the House is directed to transmit four copies of this Resolution to Mrs. Paula Carson Fain, Alexander Circle, Nicholasville, Kentucky 40356.

HR 3 was adopted by voice vote.

Representative Damron moved the adoption of the following **HR 4**:

HR 4, A RESOLUTION in memory and honor of William Michael Wheeler, of Nicholasville.

WHEREAS, with deepest regret we pay homage and tribute to William Michael Wheeler; and

WHEREAS, the tragic death of William Michael Wheeler has left his family, friends, and neighbors bereaved; and

WHEREAS, William Michael Wheeler dedicated his life to others not only as the fire chief of Jessamine County, but as a youth volunteer and devoted family member; and

WHEREAS, William Michael Wheeler was the devoted husband of Brenda Sue France Wheeler and loving father of Michael Allen, Gerald William, and Ashley Michelle; and

WHEREAS, William Michael Wheeler will be sorely missed by his family and friends;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does hereby express its profound sense of sorrow upon the death of Michael William Wheeler and does extend to his family it most heartfelt sympathy.

Section 2. That the Clerk of the House is directed to transmit four copies of this Resolution to Mrs. Brenda Sue France Wheeler, 402 Well Lane, Nicholasville, Kentucky 40356.

HR 4 was adopted by voice vote.

HR 5, by Representative Gray: A RESOLUTION in honor of Beulah Duvall.

Representative Gray moved the adoption of the following **HR 5**:

HR 5, A RESOLUTION in honor of Beulah Duvall.

WHEREAS, Beulah Duvall, a native of Hart County, Kentucky, and a long time resident of Louisville, Jefferson County, Kentucky, graduated from Louisville Girls High and attended Midway College and the Jefferson School of Law; and

WHEREAS, Beulah Duvall has rendered valuable assistance to the Jefferson County delegation for many years as a legislative affairs specialist, unselfishly devoting herself to editing, writing, research, collecting, and disbursing information that would benefit the Louisville and Jefferson County constituency; and

WHEREAS, Beulah Duvall is a remarkable person of strong character, possessing an abundance of energetic ability, talent, and knowledge; and

WHEREAS, Beulah Duvall is the devoted wife of Robert A. "Spike" Duvall; the loving mother of Robert A. "Arty" Duvall and Mary Frances Duvall Pohl; and proud grandmother of three grandchildren; and

WHEREAS, Beulah Duvall has been an inspiration to all who know and admire her, and her expertise in the activities of government is paving the way toward a brilliant future; and

WHEREAS, Beulah Duvall has resigned from her position as legislative affairs specialist and she will be endlessly missed by this honorable body;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body is truly appreciative for the many years of service Beulah Duvall has rendered to the legislative leaders in Louisville and Jefferson County, while at the same time serving their constituency with dedication and distinction.

Section 2. That this honorable body is proud to have had the opportunity of working with Beulah Duvall and wishes her success in all future endeavors.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Mrs. Beulah Duvall, 2929 Delor Avenue, Louisville, Kentucky 40217.

HR 5 was adopted by voice vote.

Announcements

The following meetings were announced:

Majority Caucus, 2:00 p.m., Room 149 of the Capitol Annex.

Minority Caucus, 2:00 p.m., Room 129 of the Capitol Annex.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., January 6, 1993.

On the roll call the vote was yeas 87—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Butler, Callahan, Cave, P. Clark, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lindsay, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Scorsone, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 4—Heleringer, LeMaster, Lile, T. Smith.

The motion to adjourn was adopted.

WEDNESDAY, JANUARY 6, 1993

SECOND LEGISLATIVE DAY

The House was called to order by Speaker Blandford.

Prayer by Dr. William R. Jennings, First United Methodist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Ackerson.

Representative McElroy moved that the absent member be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of January 5, 1993 be dispensed with and the same approved. Agreed.

Representative Gray moved the nomination of Joe Clarke as Speaker of the House of Representatives.

Representative Gray moved that the nominations cease. Agreed.

Representative Gray moved that Joe Clarke be elected Speaker of the House of Representatives by acclamation. Agreed.

Representative Joe Clarke was elected Speaker of the House of Representatives by acclamation. A committee composed of Representatives Gray, Lewis, Scorsone, Little and Callahan escorted the newly elected Speaker to the podium.

The oath of office was administered to Speaker Clarke by Supreme Court Chief Justice Robert Stevens.

Speaker Clarke assumed the Chair.

Representative Bentley moved the nomination of Larry Clark as Speaker Pro Tempore of the House of Representatives.

Representative Bentley moved that the nominations cease. Agreed.

Representative Bentley moved that Larry Clark be elected Speaker Pro Tempore of the House of Representatives by acclamation. Agreed.

Representative Larry Clark was elected Speaker Pro Tempore of the House of Representatives by acclamation. A committee composed of Representatives Yates, Callahan, Palumbo, Lewis and Gray escorted the newly elected Speaker Pro Tempore to the podium.

The oath of office was administered to Speaker Pro Tempore Clark by Chief Justice Robert F. Stephens.

Representative Richards announced that the Democratic Party in caucus assembled had elected the following Majority Party House leadership:

Floor Leader	Gregory D. Stumbo
Caucus Chairman	Jody Richards
Whip	Kenny Rapier

Representative Noland announced that the Republican Party in caucus assembled had elected the following Minority Party House leadership:

Floor Leader	Tom Jensen
Caucus Chairman	Clarence Noland
Whip	Danny Ford

Announcements

Representative Stumbo announced that Interim Committee Reports would be given January 7, 1993.

The following meetings were announced:

Central Kentucky Caucus, Room 125, upon adjournment.

Majority Caucus, Room 149, 1:00 p.m.

Northern Kentucky Caucus, Conference Room B, upon adjournment.

Western Kentucky Caucus, Department for Local Government, 3:00 p.m.

Speaker Clarke vacated the Chair.

Speaker Pro Tempore Clark assumed the Chair.

Speaker Clarke resumed the Chair.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Thursday, January 7, 1993.

On the roll call the vote was yeas 87—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Keith, Kerr, Lear, Lee, Lewis, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Rapier, Rasche, Reinhardt, Richards, Ridley, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Walton, Ward, Wayne, Yates, Zimmerman. Nays 5—Deskins, Heleringer, LeMaster, Lile, T. Smith.

The motion to adjourn was adopted.

THURSDAY, JANUARY 7, 1993

THIRD LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Father Theodore Keller, Church of the Good Shepherd, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Heleringer and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of January 6, 1993 be dispensed with and the same approved. Agreed.

Representative Donnermeyer moved that the rules be suspended to allow floor privileges to special guests. Agreed.

Representative Donnermeyer moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 9, by Representatives Donnermeyer and Reinhardt: A RESOLUTION adjourning in honor of head football coach Tom Duffy and his Highlands High School state AAA champion Bluebirds football team.

Representative Donnermeyer moved the adoption of the following **HR 9**:

HR 9, A RESOLUTION adjourning in honor of head football coach Tom Duffy and his Highlands High School state AAA champion Bluebirds football team.

WHEREAS, in a hard-fought contest at Cardinal Stadium in Louisville, the Bluebirds of Highlands High School prevailed over Paducah Tilghman to preserve a 15-6 victory and secure the state AAA championship; and

WHEREAS, Coach Tom Duffy, in his fifth year at Highlands, led his team to a 14-1 win/loss record for the season; and

WHEREAS, with their eleventh state championship in hand the Bluebirds are second to none in this great Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed institution does hereby congratulate Coach Tom Duffy and his state champion Bluebirds football team for claiming the class AAA title.

Section 2. That the House applauds the teamwork and support provided by assistant coaches Jim Dougherty, Jon Collins, Keith Morgan, Charlie Barr and Quinn Steumpel and Principal George Frakes and Superintendent Fred Williams.

Section 3. That the Clerk of the House of Representatives is directed to transmit eight copies of this Resolution to Coach Tom Duffy, Highlands High School, 2400 Memorial Parkway, Highlands, Fort Thomas, Kentucky 41075.

HR 9 was adopted by voice vote.

Representative Donnermeyer moved that a call of the roll be taken to show co-sponsors of **HR 9**. Agreed.

On the roll call the vote was yeas 84—Ackerson, Adams, Adkins, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Bruce, Buis, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Geveden, Graham, Gray, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Johnson, Kerr, Lee, LeMaster, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington. Nays 0.

Representative Donnermeyer moved that the rules be suspended to allow floor privileges to special guests. Agreed.

Representative Donnermeyer moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 10, by Representative Donnermeyer: A RESOLUTION adjourning in honor of Johnson Elementary School of Fort Thomas, Kentucky for winning the National Blue Ribbon Award.

Representative Donnermeyer moved the adoption of the following **HR 10**:

HR 10, A RESOLUTION adjourning in honor of Johnson Elementary School of Fort Thomas, Kentucky for winning the National Blue Ribbon Award.

WHEREAS, the United States Department of Education has selected Johnson Elementary School of Fort Thomas, Kentucky for its prestigious Blue Ribbon Award which will be presented by President-elect Clinton in the spring of 1993; and

WHEREAS, this honor was bestowed upon Johnson Elementary because of its exemplary performance in such areas as curriculum, student achievement, special needs programs, innovation, school leadership, and community involvement; and

WHEREAS, Johnson Elementary was one of seven state finalists chosen by the Kentucky Department of Education to represent the Commonwealth and one of three chosen to receive the Blue Ribbon Award after a comprehensive two-day on-site evaluation by officials from Washington, D.C.; and

WHEREAS, this achievement would not have been possible without countless hours of effort on the part of the entire faculty of Johnson Elementary and its PTA in preparing an exhaustive thirty page application;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby congratulate the leadership and teamwork shown by the administration and faculty of Johnson Elementary and its Parent Teacher Association in achieving the level of excellence required to receive the Blue Ribbon Award.

Section 2. That the House of Representatives applauds Principal Clay Beekley and Superintendent Dr. Fred Williams and the positive community and parental involvement displayed by Johnson Elementary and its PTA and commends their example to all other schools throughout our great Commonwealth.

Section 3. That the Clerk of the House of Representatives is directed to transmit ten copies of this Resolution to Principal Clay Beekley, Johnson Elementary School, 1180 North Fort Thomas Avenue, Fort Thomas, Kentucky 41075.

HR 10 was adopted by voice vote.

Representative Donnermeyer moved that a call of the roll be taken to show co-sponsors of **HR 10**. Agreed.

On the roll call the vote was yeas 88—Ackerson, Adams, Adkins, Allen, Altman, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Keith, Lear, Lee, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rasche, Reinhardt, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative K. Harper moved that the rules be suspended to allow floor privileges to special guests. Agreed.

Representative K. Harper moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 6, by Representative K. Harper: A RESOLUTION honoring Coach Mike Yeagle and his triumphant Beechwood High School Tigers upon winning the Class A State championship.

Representative K. Harper moved the adoption of the following **HR 6**:

HR 6, A RESOLUTION honoring Coach Mike Yeagle and his triumphant Beechwood High School Tigers upon winning the Class A state championship.

WHEREAS, the Tigers strived for great honor and earned it by defeating Bardstown 21-14; and

WHEREAS, upon winning this championship Coach Yeagle folded his arms and raised his eyes towards the heavens; and

WHEREAS, this is the Beechwood Tigers second straight Class A state championship title;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body applauds the teamwork of Coach Mike Yeagle, the assistant coaches and the entire football team and congratulates them upon winning the Class A state championship.

Section 2. That the Clerk of the House is directed to transmit two copies of this Resolution to Coach Mike Yeagle, Beechwood High School, Beechwood Road, Fort Mitchell, Kentucky, 41017.

HR 6 was adopted by voice vote.

Representative K. Harper moved that a call of the roll be taken to show co-sponsors of **HR 6**. Agreed.

On the roll call the vote was yeas 87—Ackerson, Adams, Adkins, Allen, Altman, Ballard, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, McElroy, Moberly, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Turner, Walton, Ward, Wayne, Worthington, Zimmerman. Nays 0.

Representative Burch moved that the rules be suspended to allow floor privileges to a special guest. Agreed.

Representative Burch moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 11, by Representatives Burch, Scorsone, K. Harper, Callahan, Gedling, Pearman, Ballard, Trapp, Stengel, Nunn and Palumbo: A RESOLUTION to honor and memorialize the late W. Ray Keesee.

Representative Burch moved the adoption of the following **HR 11**:

HR 11, A RESOLUTION to honor and memorialize the late W. Ray Keesee.

WHEREAS, Ray Keesee was born in Williamson, West Virginia, on June 1, 1958; and

WHEREAS, Ray Keesee was the son of Sue Gaye Keesee of Belfry and Wood R. Keesee, Jr., also of Belfry; and

WHEREAS, Ray Keesee was the loving husband of Hazel Hansen Keesee and proud father of William Russell Keesee, age seven; and

WHEREAS, Ray Keesee was a 1990 Legislative Intern for the Kentucky General Assembly; and

WHEREAS, Ray so ably demonstrated his talents as a Legislative Intern with the Health and Welfare Committee that he was asked to become an employee of the Legislative Research Commission; and

WHEREAS, Ray was a talented and integral member of the Health and Welfare Committee Staff since the 1990 legislative session; and

WHEREAS, Ray devoted himself to the cause of improving the lives of the impoverished and disadvantaged citizens of the Commonwealth; and

WHEREAS, in countless instances, Ray worked diligently and with great success in providing desperately needed help to the constituents of many members of the General Assembly; and

WHEREAS, numerous people who had given up hope seeking food, shelter, or medical assistance found a compassionate voice and a helping hand as a result of Ray's efforts; and

WHEREAS, the forgotten citizens of this Commonwealth have lost a great friend, who was willing to give of himself instead of using his talents to seek financial gain; and

WHEREAS, Ray's accomplishments remind us all that one committed person can make a positive difference in people's lives; and

WHEREAS, no person who ever knew Ray Keesee will ever forget the keenness of his intellect, the slyness of his wit, the compassion in his heart, and the complete dedication of his spirit to those in need;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does honor the memory of W. Ray Keesee and expresses its heartfelt sympathy to the family of W. Ray Keesee.

Section 2. That the House of Representatives does adjourn this day in memory and honor of W. Ray Keesee.

Section 3. That copies of this Resolution be sent to W. Ray Keesee's beloved wife Hazel Hansen Keesee and his son Will.

Section 4. That copies of this Resolution be sent to the parents of W. Ray Keesee.

HR 11 was adopted by voice vote.

Representative Burch moved that a call of the roll be taken to show co-sponsors of **HR 11**. Agreed.

On the roll call the vote was yeas 93—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Cyrus, Damron, Deskins, DeWeese, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Introduction of Resolutions

HR 7, by Representative Nesler: A RESOLUTION in honor of 1992 "Mr. Football" Billy Jack Haskins.

HR 8, by Representatives Cyrus, Deskins, Nelson and Ballard: A RESOLUTION celebrating the life and honoring the memory of Charlie Head and adjourning in his memory.

HR 12, by Representatives Deskins and Little: A RESOLUTION adjourning in honor and memory of John Bill Trivette of Pikeville.

Representative Rasche moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Rasche moved the adoption of the following **HR 7**:

HR 7, A RESOLUTION in honor of 1992 "Mr. Football" Billy Jack Haskins.

WHEREAS, Billy Jack Haskins was born in Paducah, Kentucky on January 26, 1975 to proud parents Linda and Orville Jack Haskins; and

WHEREAS, Billy Jack Haskins is a senior at Paducah Tilghman High School and maintains an academic standing in the top ten percent of his graduating class; and

WHEREAS, Billy Jack Haskins is a member of the Beta Club; vice-president of the student council; a representative to Kentucky Boys State; a member of the Fellowship of Christian Athletes; and a nominee to Youth Salute, a program for high school leaders in the Purchase area; and

WHEREAS, Billy Jack Haskins has accumulated a total of 6,741 yards passing during his career, earning him the title of all-time leading passer for the Commonwealth of Kentucky, and placing him in the top twenty quarterbacks who set all-time passing yardage records nationally; and

WHEREAS, Billy Jack Haskins is a four year letterman in two separate sports lettered; and

WHEREAS, Billy Jack Haskins, due to his outstanding achievements in the sport of football, has been named "Mr. Football" for 1992 by sports writers and sportscasters throughout the Commonwealth of Kentucky and will wear No. 1 on his jersey when the Kentucky All-Stars challenge the Tennessee All-Stars in the summer of 1993; and

WHEREAS, the honors bestowed upon Billy Jack Haskins favorably reflect upon his community and the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives commends Billy Jack Haskins for his exceptional abilities in the sport of football and wishes him continued success in future endeavors.

Section 2. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mr. Billy Jack Haskins, 4370 West Chester Lane, Paducah, Kentucky 42001.

HR 7 was adopted by voice vote.

Representative Rasche moved that a call of the roll be taken to show co-sponsors of **HR** 7. Agreed.

On the roll call the vote was yeas 88—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Bentley, Blandford, Bowling, Bruce, Bryant, Buis, Butler, Callahan, Cave, L. Clark, P. Clark, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lee, Lewis, Lile, Lindsay, Little, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 0.

Report of Committees

The following members made Interim Committee Reports:

Representative Kerr - Committee on Administrative Regulations

Representative Kerr moved that the report of the Committee on Administrative Regulations be approved. Agreed.

The report of the Committee on Administrative Regulations was approved.

Representative Deskins - Committee on Agriculture and Natural Resources

Representative Deskins moved that the report of the Committee on Agriculture and Natural Resources be approved. Agreed.

The report of the Committee on Agriculture and Natural Resources was approved.

Representative Long - Committee on Appropriations and Revenue

Representative Long moved that the report of the Committee on Appropriations and Revenue be approved. Agreed.

The report of the Committee on Appropriations and Revenue was approved.

Representative Yates - Business Organizations and Professions

Representative Yates moved that the report of the Committee on Business Organizations and Professions be approved. Agreed.

The report of the Committee on Business Organizations and Professions was approved.

Representative B. Smith - Committee on Banking and Insurance

Representative B. Smith moved that the report of the Committee on Banking and Insurance be approved. Agreed.

The report of the Committee on Banking and Insurance was approved.

Representative Long - Committee on Capital Projects and Bond Oversight

Representative Long moved that the report of the Committee on Capital Projects and Bond Oversight be approved. Agreed.

The report of the Committee on Capital Projects and Bond Oversight was approved.

Representative Donnermeyer - Committee on Cities

Representative Donnermeyer moved that the report of the Committee on Cities be approved. Agreed.

The report of the Committee on Cities was approved.

Representative Arnold - Committee on Counties and Special Districts

Representative Arnold moved that the report of the Committee on Counties and Special Districts be approved. Agreed.

The report of the Committee on Counties and Special Districts was approved.

Representative Lear - Committee on Economic Development

Representative Lear moved that the report of the Committee on Economic Development be approved. Agreed.

The report of the Committee on Economic was approved.

Representative Hourigan - Committee on Education

Representative Hourigan moved that the report of the Committee on Education be approved. Agreed.

The report of the Committee on Education was approved.

Representative P. Clark - Committee on Elections and Constitutional Amendments

Representative P. Clark moved that the report of the Committee on Elections and Constitutional Amendments be approved. Agreed.

The report of the Committee on Elections and Constitutional Amendments was approved.

Representative Rasche moved that the rules be suspended to allow floor privileges for special guests. Agreed.

Representative Burch - Committee on Health and Welfare

Representative Burch moved that the report of the Committee on Health and Welfare be approved. Agreed.

The report of the Committee on Health and Welfare was approved.

Representative Johnson - Committee on Judiciary

Representative Johnson moved that the report of the Committee on Judiciary be approved. Agreed.

The report of the Committee on Judiciary was approved.

Representative Cyrus - Committee on Labor and Industry

Representative Cyrus moved that the report of the Committee on Labor and Industry be approved. Agreed.

The report of the Committee on Labor and Industry was approved.

Representative Farrow - Committee on Personal Service Contracts

Representative Farrow moved that the report of the Committee on Personal Service Contracts be approved. Agreed.

The report of the Committee on Personal Service Contracts was approved.

Representative Farrow - Small Business Task Force

Representative Farrow moved that the report of the Small Business Task Force be approved. Agreed.

The report of the Small Business Task Force was approved.

Representative Morris - Committee on State Government

Representative Morris moved that the report of the Committee on State Government be approved. Agreed.

The report of the Committee on State Government was approved.

Representative Adkins - Tourism Development and Energy

Representative Adkins moved that the report of the Committee on Tourism Development and Energy be approved. Agreed.

The report of the Committee on Tourism Development and Energy was approved.

Representative Little - Committee on Transportation

Representative Little moved that the report of the Committee on Transportation be approved. Agreed.

The report of the Committee on Transportation was approved.

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended to allow a Committee Report. Agreed.

Representative Hancock - Committee on Program Review and Investigations

Representative Hancock moved that the report of the Committee on Program Review and Investigations be approved. Agreed.

The report of the Committee on Program Review and Investigations was approved.

Representative Stumbo moved that the rules be suspended to introduce and act upon Resolutions. Agreed.

HR 13, by Representative Barrows: A RESOLUTION adjourning in honor of Enid McCourt of Franklin, Doorkeeper of the House of Representatives.

HR 14, by Representatives Clarke, L. Clark, Adams, Stengel, Graham, Coleman, Hourigan, Fox, Bruce, Collins, Morris, Deskins, Hatcher, Reinhardt, Arnold, Adkins, Noland, Bryant, Keith, Sanders, Brown, Napier, Buis, Rapier, Stumbo, J. Harper, Hancock, Barrows, Farrow, P. Clark, Lyne, Gray, Donnermeyer, B. Smith, Callahan, Long, Yates, Moberly, Little, Ballard, Butler, Rasche, Curd, Palumbo, Trapp, Walton, Gee, Jensen, Riggs, Maggard, Crenshaw, K. Harper, Farley, Northup, Johnson, Gedling, and Richards: A RESOLUTION adjourning the House of Representatives in tribute to Representative Donald J. Blandford.

Representative Deskins moved the adoption of the following **HR 12**:

HR 12, A RESOLUTION adjourning in honor and memory of John Bill Trivette of Pikeville.

With deepest respect, we pay homage and tribute to the memory of our departed friend and mentor, Coach John Bill Trivette.

WHEREAS, John Bill Trivette was born in Pikeville on February 10, 1917, and attended Pikeville College Academy and the University of Kentucky, where he was a letterman; and

WHEREAS, from 1940 through 1960, John Bill Trivette was the renowned basketball coach of Pikeville High School; and

WHEREAS, John Bill Trivette's teams won over 400 games, fourteen district titles, seven regional championships, and finished third in the state when he was named coach of the year by the Courier Journal in 1957; and

WHEREAS, John Bill Trivette was a charter inductee of the Kentucky High School Athletic Association Hall of Fame, a member of the Kentucky High School Athletic Association Sweet Sixteen, and a member of the Pikeville High School Hall of Fame; and

WHEREAS, John Bill Trivette was the loving husband of Justine S. Trivette and the devoted father of two daughters, Marilyn May and Patti Rai Blair, and two sons, William Sidney Trivette and Ken Trivette;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby express its feelings of bereavement and loss upon the death of John Bill Trivette and commends his family to the solace of the Almighty during these dark and painful hours.

Section 2. That the House of Representatives proclaims John Bill Trivette of Pikeville to have been an outstanding citizen and exemplary representative of our great Commonwealth.

Section 3. That when the House of Representatives does adjourn this day it does so in loving memory and honor of John Bill Trivette.

Section 4. That the Clerk of the House of Representatives is directed to transmit five copies of this Resolution to Justine S. Trivette, J.W. Call Funeral Home, Box 896, Pikeville, Kentucky 41502.

HR 12 was adopted by voice vote.

Representative Deskins moved that a call of the roll be taken to show co-sponsors of **HR 12**. Agreed.

On the roll call the vote was yeas 92—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lee, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Cyrus moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Cyrus moved the adoption of the following **HR 8**:

HR 8, A RESOLUTION celebrating the life and honoring the memory of Charlie Head and adjourning in his memory.

WHEREAS, Charlie Head departed this life on January 2, 1993; and

WHEREAS, his life was distinguished by his dedication and service to the United Mine Workers of America where, during a career that spanned more than 38 years, he rose through the ranks of the union - from miner to union organizer to the position of Director of the Kentucky Coal Miners' Political Action Committee, a capacity in which he served until his retirement in 1987, although even after retirement, he continued to advise and serve the union until his death; and

WHEREAS, throughout his career, he earned the respect and admiration of Governors and legislators, and gained a reputation as a fierce defender and staunch advocate of the rights and privileges of mine workers; and

WHEREAS, in all his endeavors, Charlie Head was driven by an all-consuming determination to uphold the faith and trust placed in him, and in discharging those duties, his motives, thoughts, words, and deeds were ever in the interest of his brethren in the coal mines; and

WHEREAS, Charlie Head embodied a character and spirit that were at once compassionate and unrelenting, an ethic that ennobled all who encountered him, a commitment that inspired us in its depth and amazed us in its forbearance, and a personal essence suffused with tremendous humor and wit which brightened the lives of all who knew him; and

WHEREAS, Charlie Head will be well remembered and credited with many stellar accomplishments and honors including the prestigious Labor-Management Award and appointment to the Workers' Compensation Advisory Board, the Unemployment Insurance Task Force, the first Kentucky Labor-Management Advisory Council, and the Workers' Compensation Task Force which developed the innovative and highly effective Workers' Compensation system for which Kentucky is currently renowned; and

WHEREAS, we mourn the loss of this great Kentuckian, this courageous leader, this gracious gentleman, and this devoted advocate of the working man, our friend and associate, who will be missed in the halls of this institution and often remembered warmly and affectionately;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky House of Representatives, in tribute and praise of the life and accomplishments of Charlie Head, does adjourn this day, January 6, 1993, in his honor.

Section 2. That the Kentucky House of Representatives extends to the family of Charlie Head its most heartfelt sympathy.

Section 3. That the Clerk of the House is directed to transmit a copy of this Resolution to his widow, Vern Head, 509 Exeter Avenue, Middlesboro, Kentucky 40965.

HR 8 was adopted by voice vote.

Representative Cyrus moved that a call of the roll be taken to show co-sponsors of **HR 8**. Agreed.

On the roll call the vote was yeas 90—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Hancock, J. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lee, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Speaker Clarke vacated the Chair.

Speaker Pro Tempore Clark assumed the Chair.

Speaker Clarke moved the adoption of the following **HR 14**:

HR 14, A RESOLUTION adjourning the House of Representatives in tribute to Representative Donald J. Blandford.

Today marks a turning point in the history of the Kentucky General Assembly. Our colleague and mentor begins a new chapter in his legislative career, but as we elect another to follow his path, we express our deepest gratitude to Speaker Donald J. Blandford.

WHEREAS, Donald J. Blandford has served with distinction as Speaker of the House of Representatives since 1985; and

WHEREAS, Speaker Blandford has been an honorable servant of the citizens of the Commonwealth since 1968, a dedicated and dignified representative of the Fourteenth Legislative District; and

WHEREAS, Speaker Blandford energetically and enthusiastically championed the causes important to his constituents in Daviess County while equitably balancing the needs of all Kentuckians; and

WHEREAS, Speaker Blandford has been an astute leader, an individual praised for his aptitude and fairness during his esteemed tenure on the Legislative Research Commission, the Committee on Committees, Rules Committee, Agriculture and Natural Resources and Agriculture and Small Business Committees, as well as the Labor and Industry Committee, Public Utilities and Transportation Committee, and the Energy Committee; and

WHEREAS, Donald J. Blandford was Vice Chairman of the House Agriculture Committee from 1970 to 1972 and Chairman from 1974 through 1982, before relinquishing his chairmanship to become Speaker Pro Tem in 1983; and

WHEREAS, recognized for his expertise in the legislative process and respected nationally by his peers, Speaker Donald J. Blandford was elected to the Energy Committee of the National Conference on State Legislatures; the Executive Committee and the Agriculture Committee of the Southern Legislative Conference; and selected as Vice Chairman of the Southern Growth Policies Board; and

WHEREAS, Donald J. Blandford's legacy as Speaker of the House of Representatives will be excellence in education for all Kentuckians; and

WHEREAS, in addition to guiding the Kentucky Education Reform Act to its historic passage, during his tenure Speaker Blandford has overseen passage of legislation to: increase funding for Medicaid and expanded hospice services; bring about sweeping reforms in the Workers' Compensation program; develop a special fund to assist rural economic development; screen blood donations to protect citizens from the AIDS virus; implement jail terms for "Deadbeat Dads" who fail to pay child support; increase penalties for drunk drivers; provide a bonus for Vietnam-era veterans while working within strict budget constraints; establish new standards for solid waste management; strengthen laws governing domestic violence; create a Long-Term Planning Center to address issues confronting Kentucky's future; and return of a larger portion of coal severance taxes to areas with coal fields to help diversify their economies; and

WHEREAS, Speaker Donald J. Blandford has led the Kentucky General Assembly into a new era of legislative independence, maturity, and responsibility—and for his personal sacrifice the citizens of the Commonwealth will forever be in his debt;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House of Representatives does adjourn this day, Thursday, January 7, 1993, it does so in honor of, and tribute to, an outstanding native son, Speaker Donald J. Blandford.

Section 2. That the members of the House of Representatives, both individually and collectively, do hereby express their appreciation and gratitude to Speaker Blandford for his leadership and friendship that spans two decades.

Section 3. That the House of Representatives does hereby recognize Speaker Donald J. Blandford for his exemplary service to the Kentucky General Assembly and extends best wishes to the Gentleman from Daviess 14.

HR 14 was adopted by voice vote.

Speaker Clarke moved that a call of the roll be taken to show co-sponsors of **HR 14**. Agreed.

On the roll call the vote was yeas 94—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lee, LeMaster, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Speaker Clarke moved that the vote by which **HR 14** was adopted be reconsidered and said motion be placed on the table. Agreed.

Speaker Clarke resumed the Chair.

Announcements

The following meetings were announced:

Minority Caucus, Room 131, upon adjournment.

Jefferson County Caucus, 8:30 a.m., Room 149, January 8, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Friday, January 8, 1993.

On the roll call the vote was yeas 87—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lindsay, Little, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Wayne, Worthington, Yates, Zimmerman. Nays 4—Deskins, Lile, Mullinix, T. Smith.

The motion to adjourn was adopted.

FRIDAY, JANUARY 8, 1993

FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend K. L. Moore, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called.All members present except Representatives Deskins, Johnson, Ridley and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of January 7, 1993 be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SCR 9**.Time: 10:04 a.m.

Introduction of Resolutions

HR 15, by Representative Hancock: A RESOLUTION in honor of Lieutenant Colonel George B. Thomson.

HR 16, by Representatives Riner and Wayne: A RESOLUTION requesting CSX Transportation to modify its policy on the sounding of train whistles in Louisville, Kentucky.

HR 17, by Representative Stumbo: A RESOLUTION adjourning in memory and honor of Jake Cooley of McDowell, Kentucky.

HR 18, by Representatives Clarke, Stumbo, L. Clark, Rapier and Richards: A RESOLUTION adopting Rules to govern the 1993 Organizational Session of the House of Representatives.

HR 19, by Representative Ward: A RESOLUTION in loving memory and honor of Dr. Carroll L. Witten.

Representative Stumbo moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following **HR 18**:

HR 18, A RESOLUTION adopting Rules to govern the 1993 Organizational Session of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That, except as provided in Sections 2 and 3 of this Resolution, the Rules adopted to govern the 1992 Regular Session of the House of Representatives be adopted as the Rules governing the 1993 Organizational Session of the House of Representatives.

Section 2. That House Rule 39 is amended to read as follows:

Rule 39. Appointment of Committees. The Committee on Committees shall appoint the Chairman, Vice Chairman and the members of all standing and special committees and shall fill any vacancies thereon. In making such appointments to standing committees the Committee on Committees shall appoint a member with service in the immediately preceding regular session to at least one committee on which the member served in such previous regular session. Such appointment to the one committee shall be at the preference of the member, and the Committee on Committees shall be bound by the member's preference for that one committee; provided, however, a member who was a committee chairman in the preceding regular session must select for reappointment the committee he so chaired if he wishes to be considered for the chairmanship of that committee; if another selection is made, he shall not be reappointed chairman of the committee which he chaired in the preceding regular session. A member of the Committee on Committees shall not serve as chairman of a standing committee. ***A chairman of a standing committee or statutory committee shall not serve as a member of the Committee on Appropriations and Revenue.*** The Committee on Committees shall select members of each standing and special committee in proportion to the representation of each political party in the House. The Vice Chairman shall act in the absence of the Chairman. The Chairman of any committee may appoint subcommittees to conduct hearings or study any matters which have been referred to the committee.

Before the Committee on Committees shall appoint the members of standing and special committees the number of members on the committee to be appointed shall be announced to the House. At the same time, the Committee on Committees shall announce the number of members of the committee to be appointed from the majority party and the number of members to be appointed from the minority party.

The Committee on Committees shall not appoint more than ***twenty-four*** [~~nineteen~~] members to any one standing committee[~~, except the Committee on Appropriations and Revenue which shall have not more than twenty-three members, and the Committee on Education, the Committee on Economic Development and the Committee on State Government which shall each have not more than twenty-one members~~]. Every member of the House shall be appointed to at least one standing committee and no member shall be appointed to more than three of the following committees: all standing committees except the Committee on Appropriations and Revenue, the Committee on Education and the Committee on State Government, and the Committee on Committees.

In appointing the membership of standing committees, the Committee on Committees shall consider the predominant business interests or occupation of each member so that the private interests of a majority of a committee's members do not correspond to the jurisdiction of the standing committee.

Section 3. That House Rule 42 is amended to read as follows:

Rule 42. Liaison Subcommittees: The Committee on Appropriations and Revenue shall be divided into the following six standing subcommittees of seven members each:

1. Subcommittee on Economic Development and Energy, Natural Resources, and Environmental Protection;

2. Subcommittee on Education;

3. Subcommittee on General Government, Finance, and Public Protection;

4. Subcommittee on Human Resources;

5. Subcommittee on Justice and Judiciary;

6. Subcommittee on Transportation.

On four of the subcommittees, as designated by the Committee on Committees, four members shall be members of the Committee on Appropriations and Revenue designated by the chairman of such committee, and three members shall be appointed by the Committee on Committees from the membership of one or more of the remaining standing committees of the House. On the remaining two subcommittees, either three or four members shall be appointed by the Committee on Committees from the membership of one or more of the remaining standing committees of the House, and the remaining members shall be members of the Committee on Appropriations and Revenue designated by the chairman of such committee. ***A member of the Committee on Appropriations and Revenue may, however, serve on no more than one standing subcommittee.*** The chairman of each standing subcommittee shall be appointed by the chairman of the Committee on Appropriations and Revenue from the membership of such committee on the particular standing subcommittee.

The liaison subcommittee members of ***a*** [~~the~~] standing subcommittee shall have full voting authority in all matters before ***a*** [~~the~~] standing subcommittee.

The Committee on Committees may assign the chairman of a standing committee as an ex officio non-voting member of a standing subcommittee.

On the roll call the vote was: Yeas 90, Nays 0. (See January 8, 1993 roll call on **HR 18** - Appendix.)

HR 18 was adopted.

Representative Stumbo moved that the House stand at ease. Agreed.

Speaker Clarke called the House to Order.

Report of Committees

Representative Stumbo moved that the rules be suspended to allow the Speaker to address the House from the podium. Agreed.

The Committee on Committees reported the following Committee appointments:

Report of the House Committee on Committees to the 1993 Organizational Session of the Kentucky General Assembly

Attached is the report of the House Committee on Committees to the 1993 Organizational Session of the Kentucky General Assembly. The report sets out the membership of the sixteen House standing committees and Rules Committee, and announces the chairs and vice-chairs of the various committees. Also attached are the appointments of committee members and liaison members to the six Budget Review Subcommittees of the House Appropriations and Revenue Committee.

s/Joe Clarke
Joe Clarke, Chairman
House Committee on Committees

Agriculture & Small Business: Mark Farrow (D), Committee Chair; Royce Adams (D), Vice Chair; June Lyne (D), Vice Chair; Sam McElroy (D), Vice Chair; Richard Sanders (R) Vice Chair; Members: Adrian Arnold (D), Don Blandford (D)Jack Coleman (D), Kenny French (D), Donnie Gedling (D), Drew Graham (D), Thomas Kerr (D), Donna Shacklette (D), Billy Ray Smith (D), Jeffrey Buis (R), Walter Gee (R), Ray Mullinix (R), Jon D. Reinhardt (R), Richard Turner (R).

Appropriations & Revenue: Marshall Long (D), Committee Chair; Jim Callahan (D),Vice Chair; Charles Geveden (D), Vice Chair; Bob Heleringer (R), Vice Chair; Members: Rocky Adkins (D),Joe Barrows (D),Russell Bentley (D), Mark Brown (D), Larry Clark (D), Leonard Gray (D), Hank Hancock (D), Jim LeMaster (D), Paul Mason (D), Harry Moberly (D), Ruth Ann Palumbo (D), Kenny Rapier (D), Ernesto Scorsone (D), Mike Ward (D), Pete Worthington (D), Danny Ford (R),Ken Harper (R), Clarence Noland (R), Anne Northup (R), Richard Turner (R).

Banking & Insurance: Billy Ray Smith (D), Committee Chair; Eddie Ballard (D), Vice Chair; Steven Riggs (D), Vice Chair; Ray Altman (R),Vice Chair; Members: James Bruce (D), Herbie Deskins (D), Mark Farrow (D), Porter Hatcher (D), Louis Johnson (D), Richard Lewis (D), Ramsey Morris (D), Frank Rasche (D), Dorsey Ridley (D), Rex Smith (D), Dave Stengel (D), Jon Ackerson (R), Stan Cave (R), Stephen Nunn (R), Tom O'Dell Smith (R).

Business Organizations and Professions: Jim Yates (D), Committee Chair; Denver Butler (D), Vice Chair; Robert Damron (D), Vice Chair; Porter Hatcher (D), Vice Chair; Jon Ackerson (R), Vice Chair; Tom Burch (D), Jim Callahan (D), Larry Clark (D), Bill Donnermeyer (D), Leonard Gray (D), Bill Lear (D), Ruth Ann Palumbo (D), Donna Shacklette (D), Martin Sheehan (D), Woody Allen (R), Stephen Keith (R), Bill Lile (R), Jon D. Reinhardt (R), Charlie Walton (R).

Cities: Bill Donnermeyer (D), Committee Chair; Jim Callahan (D), Vice Chair; Jim LeMaster (D), Vice Chair; Bob DeWeese (R), Vice Chair; Members: Denver Butler (D), Louis Johnson (D), Kenny Rapier (D), Jim Wayne (D), Clarence Noland (R), Charlie Walton (R).

Counties & Special Districts: Adrian Arnold (D), Committee Chair; Donnie Gedling (D), Vice Chair; June Lyne (D), Vice Chair; Danny Ford (R), Vice Chair; Members: Royce Adams (D), Russell Bentley (D), Kenny French (D), Drew Graham (D), Hank Hancock (D), David Hourigan (D), Sam McElroy (D), Steven Riggs (D), Billy Ray Smith (D), Ray Altman (R), Jeffrey Buis (R), Walter Gee (R), Richard Sanders (R).

Economic Development: Bill Lear (D), Committee Chair; Jim Maggard (D), Vice Chair; John Will Stacy (D), Vice Chair; Donald Farley (R), Vice Chair; Members: Jack Coleman (D), Jesse Crenshaw (D), Robert Damron (D), Mark Farrow (D), Gross Lindsay (D), June Lyne (D), Fred Nesler (D), Virgil Pearman (D), Tom Riner (D), Donna Shacklette (D), Leslie Trapp (D), Jim Yates (D), Jo Bryant (R), Lonnie Napier (R), Anne Northup (R), Tommy Todd (R), Charlie Walton (R).

Education: Freed Curd (D), Committee Chair; David Hourigan (D), Vice Chair; Frank Rasche (D), Vice Chair; Tom Riner (D), Vice Chair; Bill Lile (R), Vice Chair; Members: Joe Barrows (D), Russell Bentley (D), Jack Coleman (D), Thomas Kerr (D), Richard Lewis (D), Clayton Little (D), Harry Moberly (D), Kenny Rapier (D), Jody Richards (D), Ernesto Scorsone (D), Leslie Trapp (D), Mike Ward (D), Jo Bryant (R), John Harper (R), Stephen Keith (R), Anne Northup (R), James Zimmerman (R).

Elections & Constitutional Amendments: Paul Clark (D), Committee Chair; Gross Lindsay (D), Vice Chair; Martin Sheehan (D), Vice Chair; John Harper (R), Vice Chair; Members: James Bruce (D), Larry Clark (R), Freed Curd (D), Leonard Gray (D), David Hourigan (D), Jody Richards (D), Bob DeWeese (R), Thomas Jensen (R).

Health & Welfare: Tom Burch (D), Committee Chair; Jesse Crenshaw (D), Vice Chair; Paul Mason (D), Vice Chair; Tommy Todd (R), Vice Chair; Paul Clark (D); Members: Robert Damron (D), Bill Donnermeyer (D), Porter Hatcher (D), Ramsey Morris (D), Ruth Ann Palumbo (D), Tom Riner (D), Ernesto Scorsone (D), Mike Ward (D), Stan Cave (R), Bob DeWeese (R), Bob Heleringer (R), Stephen Nunn (R), Tom O'Dell Smith (R).

Judiciary: Louis Johnson (D), Committee Chair; Charles Geveden (D), Vice Chair; Thomas Kerr (D), Vice Chair; Stan Cave (R), Vice Chair; Members: Michael Bowling (D), Jesse Crenshaw (D), Herbie Deskins (D), Richard Lewis (D), Gross Lindsay (D), Frank Rasche (D), Steven Riggs (D), Dave Stengel (D), Jon Ackerson (R), Jeffrey Buis (R), Danny Ford (R), Bob Heleringer (R).

Labor & Industry: Ron Cyrus (D), Committee Chair; Denver Butler (D), Vice Chair; Charles Nelson (D), Vice Chair; Jo Bryant (R), Vice Chair; Members: Rocky Adkins (D), Mark Brown (D), Paul Clark (D), Hubert Collins (D), Clayton Little (D), Fred Nesler (D), Jim Wayne (D), Donald Farley (R), Walter Gee (R), Thomas Jensen (R), Stephen Nunn (R).

Natural Resources & Environment: Herbie Deskins (D), Committee Chair; Mark Brown (D), Vice Chair; Jim Maggard (D), Vice Chair; Woody Allen (R), Vice Chair; Members: Rocky Adkins (D), Adrian Arnold (D), Hubert Collins (D), Rick Fox (D), Jim LeMaster (D), Jimmie Lee (D), Paul Mason (D), Sam McElroy (D), Harry Moberly (D), Charles Nelson (D), Dorsey Ridley (D), Rex Smith (D), Donald Farley (R), Thomas Jensen (R), Bill Lile (R), Clarence Noland (R), Richard Turner (R).

State Government: Ramsey Morris (D), Committee Chair; Eddie Ballard (D), Vice Chair; James Bruce (D), Vice Chair; Ray Mullinix (R), Vice Chair; Members: Joe Barrows (D), Don Blandford (D), Donnie Gedling (D), Charles Geveden (D), Bill Lear (D), Jimmie Lee (D), Jody Richards (D), Martin Sheehan (D), John Will Stacy (D), Jim Wayne (D), Pete Worthington (D), Jim Yates (D), Ken Harper (R), Lonnie Napier (R), Jon D. Reinhardt (R), Tommy Todd (R), James Zimmerman (R).

Tourism Development & Energy: Rex Smith (D), Committee Chair; Rick Fox (D), Vice Chair; Charles Nelson (D), Vice Chair; Ken Harper (R), Vice Chair; Members: Royce Adams (D), Eddie Ballard (D), Michael Bowling (D), Ron Cyrus (D), Drew Graham (D), Virgil Pearman (D), Dave Stengel (D), Leslie Trapp (D), Woody Allen (R), Richard Sanders (R), James Zimmerman (R).

Transportation: Clayton Little (D), Committee Chair; Hubert Collins (D), Vice Chair; Virgil Pearman (D), Vice Chair; Dorsey Ridley (D), Vice Chair; Stephen Keith (R), Vice Chair; Members: Don Blandford (D), Michael Bowling (D), Freed Curd (D), Ron Cyrus (D), Rick Fox (D), Kenny French (D), Hank Hancock (D), Jimmie Lee (D), Jim Maggard (D), Fred Nesler (D), John Will Stacy (D), Pete Worthington (D), Ray Altman (R), John Harper (R), Ray Mullinix (R), Lonnie Napier (R), Tom O'Dell Smith (R).

Rules: Members: Michael Bowling (D), Mark Brown (D), Larry Clark (D), Joe Clarke (D), Jack Coleman (D), Bill Donnermeyer (D), Charles Geveden (D), Porter Hatcher (D), Louis Johnson (D), Thomas Kerr (D), Jim Maggard (D), Kenny Rapier (D), Jody Richards (D), Tom Riner (D), Greg Stumbo (D), Jim Yates (D), Danny Ford (R), John Harper (R), Thomas Jensen (R), Bill Lile (R), Clarence Noland (R).

1992-93 INTERIM
BUDGET REVIEW SUBCOMMITTEES

Economic Development, Natural Resources, and Tourism: Committee Members: Russell Bentley (D), Co-Chair, Jim Callahan (D), Larry Clark (D), Ken Harper (R); Liaison Members: Rocky Adkins (D), Jack Coleman (D), Virgil Pearman (D).

Education: Committee Members: Harry Moberly (D), Co-Chair, Ruth Ann Palumbo (D), Kenny Rapier (D), Anne Northup (R); Liason Members: Dave Hourigan (D), Tom Kerr (D), Jody Richards (D).

General Government, Finance, and Public Protection: Committee Members: Joe Barrows (D), Co-Chair, Mark Brown (D), Jim LeMaster (D), Richard Turner (R); Liaison Members: Mark Farrow (D), Charles Nelson (D), Jim Wayne (D).

Human Resources: Committee Members: Paul Mason (D), Co-Chair, Leonard Gray (D), Bob Heleringer (R), Clarence Noland (R); Liaison Members: Paul Clark (D), Bill Lear (D), Stephen Nunn (R).

Justice, Corrections, and Judiciary: Committee Members: Ernesto Scorsone (D), Co-Chair, Charles Geveden (D); Liaison Members: Adrian Arnold (D), Louis Johnson (D), Richard Lewis (D), Jon Ackerson (R).

Transportation: Committee Members: Hank Hancock (D), Co-Chair, Mike Ward (D), Pete Worthington (D), Danny Ford (R); Liaison Members: Ron Cyrus (D), Jim Maggard (D), Dorsey Ridley (D).

Representative Stumbo moved the adoption of the Committee Report of the Committee on Committees. Agreed.

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended to act upon **SCR 9**. Agreed.

Representative Stumbo moved the adoption of the following **SCR 9**:

SCR 9, A CONCURRENT RESOLUTION relating to adjournment of the 1993 Organizational Session of the General Assembly.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Friday, January 8, 1993, they do so by voice vote and they do so to convene again in regular session on Tuesday, January 4, 1994, or in extraordinary session at such time as the Governor may direct.

SCR 9 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Riner moved the adoption of the following **HR 16**:

HR 16, A RESOLUTION requesting CSX Transportation to modify its policy on the sounding of train whistles in Louisville, Kentucky.

WHEREAS, the 1992 General Assembly enacted Senate Bill 50, a comprehensive bill governing grade crossing safety; and

WHEREAS, Senate Bill 50 amended KRS 277.190 to prohibit cities from regulating the sounding of train whistles within their jurisdictions; and

WHEREAS, as a result of Senate Bill 50, CSX Transportation notified mayors across the Commonwealth that beginning on July 15, 1992, CSX trains would begin sounding their whistles at all public grade crossings; and

WHEREAS, due to the numerous grade crossings in Louisville, as well as their proximity, this new policy by CSX resulted in many neighborhoods being subjected to the continual sounding of a train's whistle; and

WHEREAS, because countless individuals were being disrupted both day and night, CSX modified its policy on whistle blowing for residents of St. Matthews and Eastern Jefferson County on July 17, 1992; and

WHEREAS, the modified policy provided for trains to ring their bells rather than subject residents to the long, piercing blast of a continuous whistle; and

WHEREAS, since KRS 277.190 permits trains to ring the bell rather than sound the whistle at grade crossings, and CSX has demonstrated a willingness to modify its policy in certain areas of Jefferson County, it is reasonable to request the same consideration be made for the inner city residents of Louisville; and

WHEREAS, the CSX Railroad is adjacent to the Isaac Shelby Elementary School on Mary Street and the continual whistle blowing of these trains interrupts and disturbs every class in the school; and

WHEREAS, the Federal Railroad Administration has implemented performance specifications for cities and counties to follow to obtain relief from the requirement that train whistles be sounded at highway grade crossings;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House, both individually and collectively, do hereby request CSX Transportation to modify its policy on the sounding of train whistles in the "inner-city" area of Louisville to avert the need to prepare state legislation that meets the Federal Railroad Administration's standards for establishing "quiet zones".

Section 2. That a copy of this Resolution be sent to Mr. Michael J. Ruehling, Resident Vice President for State Relations, CSX Transportation, 444 East Main Street, Lexington, Kentucky 40507.

HR 16 was adopted by voice vote.

Representative Hancock moved the adoption of the following **HR 15**:

HR 15, A RESOLUTION in honor of Lieutenant Colonel George B. Thomson.

WHEREAS, Lieutenant Colonel George B. Thomson honorably served his country in World War II, Korea, and Viet Nam; and

WHEREAS, Lieutenant Colonel George B. Thomson was past State Commander of the Veterans of Foreign Wars; and

WHEREAS, Lieutenant Colonel George B. Thomson was a past legislative director of the Joint Executive Council of Veterans' Organizations; and

WHEREAS, Lieutenant Colonel George B. Thomson was one of the major proponents of the establishment of the Kentucky Veterans Center in Wilmore, Kentucky; and

WHEREAS, Lieutenant Colonel George B. Thomson was a true patriot and selfless advocate for veterans everywhere; and

WHEREAS, Lieutenant Colonel George B. Thomson was a devoted husband, father, grandfather, and great grandfather.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives hereby expresses its sense of bereavement and loss upon the death of Lieutenant Colonel George B. Thomson and offers its condolences to his family and loved ones.

Section 2. That the Clerk of the House is directed to transmit a copy of this Resolution to Anna Sue Thomson, 190 Jackson Drive, Frankfort, Kentucky 40601.

HR 15 was adopted by voice vote.

Representative Palumbo moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 20, by Representatives Palumbo, Lear, LeMaster, Crenshaw, Cave, Trapp and Scorsone: A RESOLUTION adjourning in honor of her Honor Pam Miller, Mayor of Lexington.

Representative Palumbo moved the adoption of the following **HR 20**:

HR 20, A RESOLUTION adjourning in honor of her Honor Pam Miller, Mayor of Lexington.

WHEREAS, Pam Miller became the first woman mayor of Lexington on January 3, 1993; and

WHEREAS, this momentous occasion is the latest in a public career marked by many firsts; and

WHEREAS, Pam Miller was the first Fayette County woman to independently win election to public office, and has served a total of fifteen years on the Lexington-Fayette Urban County Council, beginning her career in 1973; and

WHEREAS, during her years of public service Pam Miller has been at the heart of many of the decisions that have improved the quality of life in Lexington; and

WHEREAS, since Pam Miller was instrumental in founding the Farmers Market in 1972, she has helped save the Kentucky Theatre and establish the Lexington Children's Museum, designed growth plans to preserve the beauty of the Bluegrass and worked to revitalize downtown Lexington; and

WHEREAS, Pam Miller has served as director and vice-chair of Community Bank, been a member of the Kentucky World Trade Center Board, the Community Ventures Corporation, the Job Training Partnership Act Council, and the Lexington United Board of Directors; and

WHEREAS, Pam Miller is the loving wife of Ralph Miller, a physician at the University of Kentucky Chandler Medical Center, and is the devoted mother of Alex, Erik, and Karen Miller; and

WHEREAS, Pam Miller is a Magna Cum Laude graduate of Smith College and an active member of Central Christian Church, where she is a Deacon;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed institution does hereby applaud and congratulate Pam Miller on becoming Lexington's first woman mayor.

Section 2. That when the House adjourns this day it does so in honor of Pam Miller and commends her example to the citizens of our great Commonwealth.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Mayor Pam Miller, Lexington-Fayette County Urban County Government, Lexington, Kentucky.

HR 20 was adopted by voice vote.

Representative Ward moved the adoption of the following **HR 19**:

HR 19, A RESOLUTION in loving memory and honor of Dr. Carroll L. Witten.

With deepest respect, we pay homage and tribute to Dr. Carroll L. Witten.

WHEREAS, Dr. Carroll L. Witten was born on June 26, 1923, in El Paso, Illinois, the son of Edna Paris and Robert Witten; and

WHEREAS, Dr. Carroll L. Witten served his country with distinction during World War II as an Army Air Force navigator, was held prison of war after being shot down over Germany, and second in command of his 10,000 member POW camp; and

WHEREAS, Dr. Carroll L. Witten, in 1951, graduated from the University of Louisville School of Medicine and was a practicing physician at the time of his passing; and

WHEREAS, Dr. Carroll L. Witten's many accomplishments include having served as 3rd Ward alderman and president of the board of alderman from 1969 to 1973; served as an instructor, and later an associate professor at the University of Louisville School of Medicine; a member and former president of the American Academy of Family Physicians and the Jefferson County Academy of Family Physicians; a member of the American Medical Association; University of Louisville Foundation, Big Spring Country Club, Jefferson Club and the board of directors of Republic Bank; and

WHEREAS, Dr. Carroll L. Witten was a former member of the Jefferson County Medical Society, Louisville - Jefferson County Board of Health, University of Louisville Board of Trustees and the University of Louisville Board of Overseers; and

WHEREAS, Dr. Carroll L. Witten rendered great public service to the citizens of Louisville and Jefferson County; and

WHEREAS, Dr. Carroll L. Witten was the devoted husband of Shirley Rehm Witten, and the loving father of five children, Carroll L. Witten, Jr., Frederick R. Witten, Samuel P. Witten, Louise A. Witten and Shirley W. Price and proud grandfather of nine grandchildren; and

WHEREAS, all who knew and admired Dr. Carroll L. Witten will grieve over their loss, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby express its profound sense of sorrow upon the death of Dr. Carroll L. Witten and extends to his family its most heartfelt sympathy.

Section 2. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mrs. Shirley Rehm Witten, 1416 Willow Avenue, Louisville, Kentucky 40204.

HR 19 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended to allow a roll call on **SCR 9**. Agreed.

On the roll call the vote was:Yeas 87, Nays 0.(See January 8, 1993 roll call on **SCR 9** - Appendix A.)

SCR 9 was adopted.

Representative Stumbo moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following **HR 17**:

HR 17, A RESOLUTION adjourning in memory and honor of Jake Cooley, of McDowell, Kentucky.

With heartfelt sorrow we pay homage and tribute to the memory of our departed friend, Jake Cooley.

WHEREAS, Jake Cooley crossed those earthly bounds on December 29, 1992, at the age of 85; and

WHEREAS, Jake Cooley was born on January 6, 1907, at Water Gap, the son of the late Warren and Susan Banks Cooley and began work in the mines at age thirteen; and

WHEREAS, Jake Cooley was a coal operator for fifty years and President of Sizemore Mining Corporation of McDowell, one of the longest continuously operating coal companies in the Commonwealth; and

WHEREAS, Sizemore Mining was recognized for its production record during World War II, producing more than 20 tons per day, and has been noted through the years for its outstanding safety record, receiving numerous fatality free awards; and

WHEREAS, Jake Cooley, a self-taught man, was an accomplished engineer who received many patents for mining equipment improvements in the 1940's and 1950's, and could read a coal contract better than many attorneys, according to Lieutenant Governor Patton; and

WHEREAS, Jake Cooley was beloved throughout his community and was a director of the First Guaranty Bank in Martin, a member of the First Baptist Church at McDowell, the Wheelwright Masonic Lodge, the Shrine in Ashland, and, a major contributor to the Lonesome Pine Boy Scout Troop; and

WHEREAS, Jake Cooley was the loving husband of Sarah Jones Cooley and the devoted father of Nick Cooley and Carole Cooley;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby express its bereavement and sorrow upon the loss of Jake Cooley and commends his family to the solace of the Almighty during these dark and painful hours.

Section 2. That when the House of Representatives does adjourn this day it does so in loving memory and honor of Jake Cooley.

Section 3. That the Clerk of the House of Representatives in directed to transmit three copies of this Resolution to Sarah Jones Cooley, McDowell, Kentucky.

HR 17 was adopted by voice vote.

Announcements

The following meetings were announced:

Committee Chairmen of the Budget Review Subcommittees, Room 327, upon adjournment.

Parliamentary Procedure Workshop, 2:00 p.m., February 1, 1993.

Representative Stumbo moved that the reading of the Journal of this day, January 8, 1993, be dispensed with and the same approved. Agreed.

Representative Stumbo moved that the reading of the Journal of the House of Representatives for the Organizational Session of 1993 be dispensed with and the same approved. Agreed.

The Journal of the House of Representatives was read, compared and approved by the House.

Adjournment

Representative Stumbo moved that the House adjourn until 12 noon, Tuesday, January 4, 1994, or in extraordinary session at such time as the Governor may direct.

On the roll call the vote was yeas 86—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Fox, French, Gedling, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Keith, Kerr, Lee, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nessler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman.Nays 4—Hancock, Heleringer, LeMaster, T. Smith.

The motion to adjourn was adopted.

APPROVED: s/Joe Clarke, Speaker
House of Representatives

ATTEST: s/Evelyn Marston, Chief Clerk
House of Representatives

KENTUCKY GENERAL ASSEMBLY 1993 ORGANIZATIONAL SESSION

HOUSE

Officers

Speaker	Joe Clarke
Speaker Pro Tem	Larry Clark
Chief Clerk	Evelyn Marston
Assistant Clerk	Julie Wheat
Enrolling Clerk	Margaret Watts
Sergeant At Arms	Emmett A. Slattery
Chief Doorkeeper	William "Bunny" Davis
Cloakroom Keeper	Lawrence Parrish
Cloakroom Keeper	Albert Robinson
Janitor	George Fritz
Page	Jessica Call
Page	Joe Thomas
Page	Melanie Parrish
Page	Matthew E. Coldiron

(Legislators' names are in alphabetical order with party affiliation designated by initial, home town, counties in district, and number of the legislative district.)

ACKERSON, JON W. (R-Jeffersontown) Jefferson, 47
ADAMS, ROYCE W. (D-Dry Ridge) Carroll, Grant, Harrison, Owen, Pendleton, 61
ADKINS, ROCKY (D-Sandy Hook) Boyd, Elliott, Lawrence, 99
ALLEN, WILLARD C. "WOODY" (R-Morgantown) Butler, Grayson, Ohio, 17
ALTMAN, RAY H. (R-Campbellsville) Green, Metcalfe, Taylor, 51
ARNOLD, ADRIAN (D-Mount Sterling) Bath, Menifee, Montgomery, Powell, 74
BALLARD, EDDIE (D-Madisonville) Hopkins, 10
BARROWS, JOSEPH HOWARD (D-Versailles) Franklin, Jessamine, Woodford, 56
BENTLEY, RUSSELL O. (D-Topmost) Floyd, Knott, Letcher, Perry, 92
BLANDFORD, DONALD J. (D-Philpot) Daviess, 14
BOWLING, MICHAEL DEAN (D-Middlesboro) Bell, Harlan, Leslie, 87
BROWN, MARK S. (D-Brandenburg) Bullitt, Hardin, Meade, 27
BRUCE, JAMES E. (D-Hopkinsville) Christian, Hopkins, 9
BRYANT, JO ELIZABETH (R-Williamsburg) McCreary, Whitley, 82
BUIS, JEFFREY (R-Liberty) Casey, Russell, Wayne, 52
BURCH, THOMAS J. (D-Louisville) Jefferson, 30
BUTLER, DENVER (D-Louisville) Jefferson, 38
CALLAHAN, JAMES P. (D-Southgate) Campbell, Kenton, 67
CAVE, STAN (R-Lexington) Fayette, 45
CLARK, LARRY (D-Louisville) Jefferson, 46
CLARK, PAUL (D-Louisville) Jefferson, 37
CLARKE, P. JOSEPH (D-Danville) Boyle, Lincoln, 54
COLEMAN, JACK L., JR. (D-Burgin) Anderson, Mercer, Spencer, 55
COLLINS, HUBERT (D-Wittensville) Johnson, Magoffin, Martin, 97
CRENSHAW, JESSE (D-Lexington) Fayette, 77
CURD, FREED (D-Murray) Calloway, Trigg, 5
CYRUS, RONALD R. (D-Flatwoods) Greenup, 98
DAMRON, ROBERT R. (D-Nicholasville) Garrard, Jessamine, Lincoln, 39
DESKINS, HERBERT "HERBIE," JR. (D-Pikeville) Martin, Pike, 94

DEWEESE, BOB (R-Louisville) Jefferson, 48
DONNERMEYER, WILLIAM I., SR. (D-Bellevue) Bracken, Campbell, Pendleton, 68
FARLEY, DONALD B. (R-Ashland) Boyd, 100
FARROW, MARK (D-Stamping Ground) Harrison, Scott, 62
FORD, DANNY R. (R-Mt. Vernon) McCreary, Pulaski, Rockcastle, Wayne, 80
FOX, RICK (D-Harlan) Harlan, 88
FRENCH, KENNY R. (D-Warsaw) Boone, Gallatin, 60
GEDLING, DONNIE (D-Hardinsburg) Breckinridge, Hancock, Hardin, Meade, 18
GEE, WALTER (R-Grayson) Carter, Lewis, 96
GEVEDEN, CHARLES R. (D-Wickliffe) Ballard, Carlisle, Fulton, Hickman, McCracken, 1
GRAHAM, DREW (D-Winchester) Clark, Powell, 73
GRAY, LEONARD (D-Louisville) Jefferson, 42
HANCOCK, C. M. "HANK" (D-Frankfort) Franklin, 57
HARPER, JOHN (R-Shepherdsville) Bullitt, 49
HARPER, KENNETH F. (R-Crestview Hills) Kenton, 63
HATCHER, E. PORTER, JR. (D-Louisville) Jefferson, 43
HELERINGER, BOB (R-Louisville) Jefferson, 33
HOURIGAN, DAVE (D-Gravel Switch) Hart, Larue, Marion, Washington, 24
JENSEN, TOM (R-London) Laurel, 85
JOHNSON, E. LOUIS (D-Owensboro) Daviess, 13
KEITH, STEPHEN C. (R-Manchester) Clay, Leslie, Perry, 90
KERR, THOMAS R. (D-Taylor Mill) Kenton, 64
LEAR, WILLIAM M., JR. (D-Lexington) Fayette, 79
LEE, JIMMY (D-Elizabethtown) Hardin, 25
LeMASTER, JIM (D-Paris) Bourbon, Fayette, Nicholas, 72
LEWIS, RICHARD H. (D-Benton) Caldwell, Lyon, Marshall, 6
LILE, BILL (R-Valley Station) Jefferson, 28
LINDSEY, GROSS C. (D-Henderson) Henderson, 11
LITTLE, N. CLAYTON (D-Virgie) Pike, 93
LONG, MARSHALL (D-Shelbyville) Henry, Shelby, Trimble, 58
LYNE, JUNE D. (D-Olmstead) Logan, Todd, 16
MAGGARD, JIM (D-Jackson) Breathitt, Magoffin, Perry, Wolfe, 89
MASON, PAUL (D-Whitesburg) Letcher, Perry, Pike 91
McELROY, SAM M. (D-Waverly) Daviess, Henderson, Union, 7
MOBERLY, HARRY, JR. (D-Richmond) Madison, 81
MORRIS, H. RAMSEY, JR. (D-Hopkinsville) Christian, Trigg, 8
MULLINIX, RAY (R-Burkesville) Adair, Clinton, Cumberland, Wayne, 53
NAPIER, LONNIE (R-Lancaster) Garrard, Jackson, Lincoln, Madison, Pulaski, 36
NELSON, CHARLES "PREACHER" (D-Bremen) McLean, Muhlenberg, 15
NESLER, FRED (D-Mayfield) Graves, McCracken, 2
NOLAND, CLARENCE D., Jr. (R-Irvine) Estill, Jackson, Lee, Owsley, 84
NORTHUP, ANNE MEAGHER (R-Louisville) Jefferson, 32
NUNN, STEPHEN R. (R-Glasgow) Barren, Metcalfe, 23
PALUMBO, RUTH ANN (D-Lexington) Fayette, 76
PEARMAN, VIRGIL (D-Radcliff) Bullitt, Hardin, Larue, 26
RAPIER, KENNY (D-Bardstown) Nelson, Spencer, Washington, 50
RASCHE, FRANK (D-Paducah) McCracken, 3
REINHARDT, JON DAVID (R-Alexandria) Boone, Campbell, Kenton, 69
RICHARDS, JODY (D-Bowling Green) Warren, 20
RIDLEY, J. DORSEY (D-Dixon) Caldwell, Hopkins, McLean, Webster, 12
RIGGS, STEVE (D-Louisville) Jefferson, 31
RINER, TOM (D-Louisville) Jefferson, 41
SANDERS, RICHARD A. "RICHIE," JR. (R-Smiths Grove) Edmonson, Grayson, Hardin, Warren, 19

SCORSONE, ERNESTO (D-Lexington) Fayette, 75
SHACKLETTE, DONNA (D-Louisville) Jefferson, 40
SHEEHAN, MARTIN J. (D-Covington) Kenton, 65
SMITH, BILLY RAY (D-Bowling Green) Simpson, Warren, 21
SMITH, REX (D-Grand Rivers) Crittenden, Livingston, McCracken, 4
SMITH, TOM O'DELL (R-Gray) Knox, Laurel, 86
STACY, JOHN WILL (D-West Liberty) Magoffin, Menifee, Morgan, Rowan, 71
STENGEL, DAVE (D-Louisville) Jefferson, 29
STUMBO, GREGORY D. (D-Prestonburg) Floyd, Martin, 95
TODD, THOMAS W. "TOMMY" (R-Nancy) Pulaski, 83
TRAPP, LESLIE (D-Lexington) Fayette, 78
TURNER, RICHARD A. (R-Tompkinsville) Allen, Monroe, Simpson, 22
WALTON, CHARLIE (R-Florence) Boone, Kenton, 66
WARD, MIKE (D-Louisville) Jefferson, 34
WAYNE, JIM (D-Louisville) Jefferson, 35
WORTHINGTON, PETE (D-Ewing) Bracken, Fleming, Mason, Robertson, 70
YATES, JAMES BERNARD (D-Shively) Jefferson, 44
ZIMMERMAN, JAMES F. (R-LaGrange) Oldham, Trimble, 59

APPENDIX

ROLL CALLS

HR 18 (Jan 8) **Yeas** 90-R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, R. Bentley, D. Blandford, M. Bowling, M. Brown, J. Bryant, J. Buis, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, B. Donnermeyer, D. Farley, M. Farrow, D. Ford, R. Fox, K. French, D. Gedling, W. Gee, C. Geveden, D. Graham, L. Gray, J. Harper, K. Harper, P. Hatcher Jr., B. Heleringer, D. Hourigan, T. Jensen, S. Keith, T. Kerr, B. Lear, J. Lee, J. LeMaster, R. Lewis, B. Lile, G. Lindsay, C. Little, M. Long, J. Lyne, J. Maggard, P. Mason, S. McElroy, R. Morris, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, J. Richards, T. Riner, R. Sanders Jr., E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, T. Smith, J. Stacy, D. Stengel, G. Stumbo, T. Todd, L. Trapp, R. Turner, C. Walton, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 0.

SCR 9 (Jan 8) **Yeas** 87-J. Ackerson, R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, J. Barrows, R. Bentley, D. Blandford, M. Bowling, J. Bryant, J. Buis, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, B. Donnermeyer, D. Farley, M. Farrow, D. Ford, K. French, D. Gedling, W. Gee, C. Geveden, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, P. Hatcher Jr., B. Heleringer, D. Hourigan, T. Jensen, S. Keith, T. Kerr, B. Lear, J. Lee, J. LeMaster, R. Lewis, B. Lile, G. Lindsay, C. Little, M. Long, J. Lyne, J. Maggard, P. Mason, S. McElroy, H. Moberly, R. Morris, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, A. Northup, S. Nunn, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, J. Richards, T. Riner, R. Sanders Jr., E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, T. Smith, D. Stengel, G. Stumbo, T. Todd, R. Turner, C. Walton, M. Ward, J. Wayne, J. Zimmerman. **Nays** 0.

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
HR 1	10							10				
HR 2	10							10				
HR 3	10							11				
HR 4	10							11				
HR 5	11							12				
HR 6	17							17				17
HR 7	18							19				19
HR 8	18							23				23
HR 9	15							15				15
HR 10	16							16				16
HR 11	17							18				18
HR 12	18							22				22
HR 13	21											
HR 14	21							24				25
HR 15	27							32				
HR 16	27							32				
HR 17	27							34				
HR 18	27							28				
HR 19	27							34				
HR 20	32							33				

HISTORY OF SENATE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Senate Message	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Concur Activities	En-rolled	Other Action
SCR 9	27							31			

SUBJECT INDEX

ACKERSON, JON
HR 6, 7, 8, 9, 10, 11, 12, 14

ADAMS, ROYCE
HR 6, 7, 8, 9, 10, 11, 12, 14
Certificate of Election filed - pp. 8, 9

ADKINS, ROCKY
HR 6, 7, 8, 9, 10, 11, 12, 14

ALLEN, WILLARD "WOODY"
HR 6, 7, 8, 10, 11, 12, 14

ALTMAN, RAY
HR 6, 7, 8, 9, 10, 11, 12, 14

ARNOLD, ADRIAN
HR 7, 8, 9, 11, 12, 14

BALLARD, EDDIE
HR 6, 7, 8, 9, 10, 11, 12, 14

BARROWS, JOE
HR 8, 9, 10, 12, 13, 14

BENTLEY, RUSSELL
HR 6, 7, 8, 9, 10, 11, 12, 14

BLANDFORD, DONALD J.
HR 1, 2, 6, 7, 8, 9, 10, 11, 12, 14

BOWLING, MIKE
HR 6, 7, 9, 10, 11, 12, 14

BROWN, MARK
HR 6, 8, 10, 11, 12, 14

BRUCE, JAMES
HR 6, 7, 8, 9, 10, 11, 12, 14

BRYANT, JO ELIZABETH
HR 6, 7, 8, 10, 11, 12, 14

BUIS, JEFFREY
HR 6, 7, 8, 9, 10, 11, 12, 14

BURCH, TOM
HR 6, 8, 10, 11, 12, 14

BUTLER, DENVER
HR 6, 7, 8, 9, 10, 11, 12, 14

CALL, JESSICA
Elected Page - p. 8

CALLAHAN, JIM
HR 6, 7, 8, 9, 10, 11, 12, 14

CAVE, STAN
HR 6, 7, 8, 9, 10, 11, 12, 14, 20

CITIES, FIRST CLASS
Train whistles, CSX Transportation Policy - HR 16

CLARK, LARRY
HR 6, 7, 8, 9, 10, 11, 12, 14, 18
Elected Speaker Pro Tempore - p. 13

CLARK, PAUL
HR 6, 7, 8, 9, 10, 11, 12, 14

CLARKE, JOE
HR 6, 8, 9, 10, 11, 12, 14, 18
Elected Speaker of the House - p. 13

COLDIRON, MATTHEW E.
Elected Page - p. 8

COLEMAN, JACK
HR 6, 7, 8, 10, 11, 12, 14

COLLINS, HUBERT
HR 6, 7, 8, 9, 10, 11, 12, 14

COMMENDATIONS AND RECOGNITIONS
Beechwood Tigers - HR 6
Blandford, Speaker Donald J. - HR 14
Duvall, Beaulah - HR 5
Haskins, Billy Jack - HR 7
Highland High School Football Team - HR 9
Johnson Elementary School - HR 10
McCourt, Enid- HR 13
Miller, Pam - HR 20

CRENSHAW, JESSE
HR 6, 7, 8, 9, 10, 11, 12, 14, 20

CURD, FREED
HR 6, 7, 8, 9, 10, 12, 14

CYRUS, RON
HR 6, 7, 8, 9, 10, 11, 12, 14

DAMRON, ROBERT
HR 3, 4, 6, 7, 8, 9, 10, 11, 14

DAVIS, WILLIAM E.
Elected Chief Doorkeeper - p. 8

DESKINS, HERBIE
HR 6, 7, 8, 9, 10, 11, 12, 14

DEWEESE, BOB
HR 6, 7, 8, 10, 11, 12, 14

DONNERMEYER, BILL
HR 6, 7, 8, 9, 10, 12, 14

FARLEY, DON
HR 6, 7, 8, 9, 10, 11, 12, 14

FARROW, MARK
HR 6, 7, 8, 9, 10, 11, 12, 14

FORD, DANNY
HR 6, 7, 8, 9, 10, 11, 12, 14
Elected Minorty Whip - p. 13

FOX, RICK
HR 6, 7, 8, 9, 10, 11, 12, 14

FRENCH, KENNY
HR 6, 7, 8, 9, 10, 11, 12, 14

FRITZ, GEORGE
Elected Janitor - p. 8

GEDLING, DONNIE
HR 6, 7, 8, 9, 10, 11, 12, 14

GEE, WALTER
HR 6, 7, 8, 10, 11, 12, 14

GENERAL ASSEMBLY
House Rules
  Permanent - HR 18
  Temporary - HR 1
Opening Invocations, invitations - HR 2
1993 Membership, Proclamation by Secretary of State - p. 1
Certification of Election filed for the 61st and 40th District - pp. 8, 9
Interim Committee Reports filed - p. 19
Committee on Committees Report, Representative Joe Clarke - p. 29

GEVEDEN, CHARLES
HR 6, 7, 8, 10, 11, 12, 14

GRAHAM, DREW
HR 6, 7, 8, 9, 10, 11, 12, 14

GRAY, LEONARD
HR 5, 6, 7, 9, 10, 11, 12, 14

HANCOCK, HANK
HR 6, 7, 8, 11, 12, 14, 15

HARPER, JOHN
HR 6, 7, 8, 9, 10, 11, 12, 14

HARPER, KEN
HR 6, 7, 9, 10, 11, 14

HATCHER, PORTER
HR 6, 7, 8, 9, 10, 11, 12, 14

HELERINGER, BOB
HR 14

HOURIGAN, DAVE
HR 6, 7, 8, 9, 10, 11, 12, 14

JENSEN, TOM
HR 6, 7, 8, 9, 10, 11, 12, 14
Elected Minority Floor Leader - p. 13

JOHNSON, LOUIS
HR 7, 8, 9, 11, 12, 14

KEITH, STEPHEN
HR 6, 7, 8, 10, 11, 12, 14

KERR, TOM
HR 6, 7, 8, 9, 11, 12, 14

LEMASTER, JIM
HR 6, 9, 11, 14, 20

LEAR, BILL
HR 6, 10, 11, 14, 20

LEE, JIMMIE
HR 6, 7, 8, 9, 10, 11, 12, 14

LEWIS, RICHARD
HR 6, 7, 8, 9, 10, 11, 12, 14

LILE, BILL
HR 6, 7, 8, 9, 10, 11, 12, 14

LINDSAY, GROSS
HR 6, 7, 8, 9, 10, 11, 12, 14

LITTLE, CLAYTON
HR 6, 7, 8, 9, 10, 11, 12, 14

LONG, MARSHALL
HR 6, 8, 9, 10, 11, 12, 14

LYNE, JUNE
HR 6, 7, 8, 9, 10, 11, 12, 14

MAGGARD, JIM
HR 6, 7, 8, 9, 10, 11, 12, 14

MARSTON, EVELYN
Elected Chief Clerk - p. 8

MASON, PAUL
HR 7, 8, 9, 11, 12, 14

MCELROY, SAM
HR 6, 7, 8, 9, 10, 11, 12, 14

MEMORIALS
Cooley, Jake - HR 17
Fain, Cecil Allen - HR 3
Head, Charlie - HR 8
Keesee, W. Ray - HR 11
Thomson, George B. - HR 15
Trivette, John Bill - HR 12
Wheeler, William Michael - HR 4
Witten, Dr. Carroll L. - HR 19

MOBERLY, HARRY
HR 6, 7, 8, 9, 10, 11, 12, 14

MORRIS, RAMSEY
HR 7, 8, 9, 10, 11, 12, 14

MULLINIX, RAY
HR 6, 7, 8, 9, 10, 11, 12, 14

NAPIER, LONNIE
HR 6, 7, 8, 9, 10, 11, 12, 14

NELSON, CHARLES "PREACHER"
HR 6, 7, 8, 9, 10, 11, 12, 14

NESLER, FRED
HR 6, 7, 8, 9, 10, 11, 12, 14

NOLAND, CLARENCE
HR 6, 7, 8, 9, 10, 11, 12, 14
Elected Minority Caucus Chairman - p. 13

NORTHUP, ANNE
HR 6, 7, 8, 9, 10, 11, 12, 14

NUNN, STEPHEN
HR 6, 7, 8, 10, 11, 12, 14

PALUMBO, RUTH ANN
HR 7, 8, 9, 10, 11, 12, 14, 20

PARRISH, LAWRENCE
Elected Cloakroom Keeper - p. 8

PARRISH, MELANIE
Elected Page - p. 8

PEARMAN, VIRGIL
HR 8, 9, 10, 11, 12, 14

RAILROADS
Train whistles, CSX Transportation Policy - HR 16

RAPIER, KENNY
HR 6, 7, 8, 9, 11, 12, 14, 18
Elected Majority Whip - p. 13

RASCHE, FRANK
HR 6, 7, 8, 9, 10, 11, 12, 14

REINHARDT, JON DAVID
HR 6, 7, 8, 9, 10, 11, 12, 14

RICHARDS, JODY
HR 6, 7, 8, 9, 11, 12, 14, 18
Elected Majority Caucus Chairman - p. 13

RIDLEY, DORSEY
HR 14

RIGGS, STEVE
HR 6, 7, 9, 11, 12, 14

RINER, TOM
HR 6, 7, 8, 9, 10, 11, 12, 14, 16

ROBINSON, ALBERT
Elected Cloakroom Keeper - p. 8

SAFETY
Train whistles, CSX Transportation Policy - HR 16

SANDERS, RICHIE
HR 6, 7, 8, 9, 10, 11, 12, 14

SCORSONE, ERNESTO
HR 6, 7, 8, 9, 10, 11, 12, 14, 20

SHACKLETTE, DONNA
HR 7, 8, 9, 10, 11, 12, 14
Certificate of Election filed - p. 8

SHEEHAN, MARTIN
HR 6, 7, 8, 9, 10, 11, 12, 14

SLATTERY, EMMETT A.
Elected Sergeant-at-Arms - p. 8

SMITH, BILLY RAY
HR 6, 7, 8, 9, 10, 11, 12, 14

SMITH, REX
HR 14

SMITH, TOM O'DELL
HR 6, 7, 8, 9, 10, 11, 12, 14

STACY, JOHN WILL
HR 6, 7, 8, 9, 10, 11, 12, 14

STENGEL, DAVE
HR 6, 7, 8, 9, 10, 11, 12, 14

STUMBO, GREG
HR 1, 2, 6, 7, 8, 9, 10, 11, 12, 14, 17, 18
Elected Majority Floor Leader - p. 13

THOMAS, JOE
Elected Page - p. 8

TODD, TOMMY
HR 6, 7, 8, 9, 10, 11, 12, 14

TRANSPORTATION
Train whistles, CSX Transportation Policy - HR 16

TRAPP, LESLIE
HR 7, 8, 9, 10, 11, 12, 14, 20

TURNER, RICHARD
HR 6, 7, 8, 9, 10, 11, 12, 14

WALTON, CHARLIE
HR 6, 7, 8, 9, 10, 11, 12, 14

WARD, MIKE
HR 6, 7, 9, 10, 11, 14, 19

WATTS, MARGARET
Elected Enrolling Clerk - p. 8

WAYNE, JIM
HR 6, 7, 8, 9, 10, 11, 12, 14, 16

WHEAT, JULIE
Elected Assistant Clerk - p. 8

WORTHINGTON, PETE
HR 6, 8, 9, 10, 11, 14

YATES, JIM
HR 7, 8, 10, 11, 12, 14

ZIMMERMAN, JAMES
HR 6, 7, 8, 10, 11, 12, 14

JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

General Assembly

of the

Commonwealth of Kentucky

First Extraordinary Session of 1993

Held in the State Capitol in the City of Frankfort,
at Frankfort, in the Year of Our Lord 1993,
and in the Two Hundredth and First
Year of the Commonwealth

Begun on the First Day of February, 1993, and Adjourned
Sine Die on the Sixteenth Day of February, 1993.

Paid for from state funds.

FOREWORD

The Kentucky Constitution requires each house of the General Assembly to keep a journal as a public accounting of daily legislative activity. It is the official record of action by the General Assembly.

The *Kentucky Revised Statutes* require the Legislative Research Commission to compare, edit, correct, and publish the journals of each chamber. This is the *House Journal* for the First Extraordinary Session of 1993.

The complete text of a bill appears when it is reported out of committee and receives a first reading. The roll call vote on passage of a bill appears when it receives a third reading. A roll call vote on concurrence will appear if a bill is amended in the chamber opposite its origin. Joint resolutions are treated as bills, and the texts of simple and concurrent resolutions appear on first reading or adoption. An appendix contains a table of actions on resolutions, as well as roll call votes.

Mrs. Jean Wallace and Mrs. Wilda Bond prepared the *House Journal* for the First Extraordinary Session of 1993. The edited copy, subject index, and appendix in this volume reflect the cooperative efforts of the LRC.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1993

JOURNAL
of the
HOUSE OF REPRESENTATIVES
of the
GENERAL ASSEMBLY
of the
COMMONWEALTH OF KENTUCKY
FIRST EXTRAORDINARY SESSION OF 1993
MONDAY, FEBRUARY 1, 1993
FIRST LEGISLATIVE DAY

At an Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on February 1, 1993, the two hundredth year of the Commonwealth, in compliance with a Proclamation issued by the Governor of the Commonwealth of Kentucky, the Honorable Brereton C. Jones, the House of Representatives was called to order by the Honorable Joe Clarke, Speaker of the House of Representatives.

Prayer by Reverend K. L. Moore, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The Speaker announced that the Journal would reflect that the membership of the House of Representatives is the same as it was at the Organizational Session of 1993.

The roll was called. All members present except Representatives Allen, Keith and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

The Clerk read the following Proclamation:

"To All To Whom These Presents Shall Come:

WHEREAS, on January 25, 1993, a Proclamation was issued calling an Extraordinary Session to be convened on February 1, 1993, and the topics to be considered during that Session having been reexamined;

NOW, THEREFORE, I, BRERETON C. JONES, Governor of the Commonwealth of Kentucky, pursuant to the power invested in me by Section 80 of the Constitution, do issue this, my Proclamation convening the Kentucky General Assembly in Extraordinary Session at the Seat of Government, Frankfort, Kentucky, at 12:00 Noon (EST), Monday, February 1, 1993, for the sole purpose of considering the following subjects:

(1) The recommendations of the Governmental Ethics Task Force and other legislation pertaining to ethical standards for public officials and employees, the regulation of activities of lobbyists and the financing of campaigns for public office.

(2) The confirmation of the administrative law judges appointed by the Workers Compensation Board since the end of the 1992 regular session.

(3) The enactment of legislation amending Acts 1992, Chapter 462 and House Joint Resolution 87 as they relate to the Kentucky Education Technology System.

DONE AT THE CAPITOL, in the City of Frankfort, this the 29th day of January, in the year of our Lord One Thousand Nine Hundred and Ninety-three and in the year of the Commonwealth the Two Hundred and First.

s/Brereton C. Jones
Governor

s/Bob Babbage
Secretary of State

Introduction of Bills and Resolutions

HB 1, by Representatives Stumbo, Rapier, Long, L. Clark and Clarke: AN ACT relating to the Education Technology Escrow Account.

HB 2, by Representatives Stumbo, Clarke, Rapier, L. Clark, and Richards: AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Extraordinary Session of 1993 of the General Assembly, and declaring an emergency.

HR 1, by Representatives Clarke, Richards, L. Clark, Stumbo and Rapier: A RESOLUTION adopting rules to govern the 1993 Extraordinary Session of the House of Representatives.

HR 2, by Representatives Clarke, Richards, L. Clark, Stumbo and Rapier: A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the House of Representatives during the 1993 Extraordinary Session with prayer.

Representative Stumbo moved that the rules be suspended to act upon two Resolutions. Agreed.

Representative Stumbo moved the adoption of the following **HR 1**:

HR 1, A RESOLUTION adopting rules to govern the 1993 Extraordinary Session of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the following Rules are adopted to govern the 1993 Extraordinary Session of the House of Representatives:

Rule 1. Hours of Meeting. The House shall meet at times set by the Committee on Committees.

Rule 2. Quorum. A majority of the members elected to the House shall constitute a quorum. If a quorum is not present at the time fixed for a meeting of the House, five members may adjourn or recess from day to day or from time to time and fifteen members may order a call of the House and send for absent members.

Rule 3. Call of the House. Upon a call of the House, the Clerk shall call the roll. Absentees are then only noted, but no excuses shall be made until the full roll is called. The Clerk shall then call the absentees again. Excuses will be heard at this time. The doors of the House Chamber shall then be closed and the absentees not excused by the House may be sent for and arrested by the Sergeant-at-Arms and the House shall determine upon what conditions they shall be discharged from arrest. Members who voluntarily appear shall be immediately admitted to the floor of the House and names returned upon the Journal as present unless the House otherwise directs. Excuses for leaves of absence must receive a consent approval of 2/3 of the members elected.

ORDER OF BUSINESS

Rule 4. Order of Business. The order of business shall be as follows:

1. Invocation.
2. Roll Call.
3. Reading and Approval of the Journal.
4. Introduction and Reading of New Bills and Resolutions Introduced by Title and Sponsor.
5. Report of Reference of Bills to Committees.
6. Report of Committees.
7. First Reading of Bills.
8. Second Reading of Bills.
9. Orders of the Day.

10. Motions, Petitions and Communications.

11. Announcements.

12. Adjournment.

No more than thirty minutes shall be allotted to Motions, Petitions and Communications.

Rule 5. Unfinished Business. Unfinished business which was being considered upon adjournment shall have precedence in the class of business to which it properly belongs upon the next succeeding legislative day.

MOTIONS

Rule 6. Reading of Motions. When a motion has been made and seconded, it shall be stated by the Speaker, or, being in written form, it shall be read by the Clerk before debate, amendment or motion concerning it shall be in order.

Rule 7. Withdrawal of Motions. Every oral motion after it has been stated by the Speaker, and every written motion, bill, resolution or other paper, after it has been read by the Clerk, shall be the property and in the possession of the House and shall not be withdrawn without consent of the House. Every written motion, report or measure may be committed or recommitted at the pleasure of the House.

Rule 8. Order of Questions. All questions, whether in Committee of the Whole or in the House, when not privileged questions, shall be propounded in the order in which they were moved, except that in filling blanks the smallest sum and the most remote date shall be put first.

Rule 9. Precedence of Motions. When a question is under consideration, no motion shall be in order except:

1. To call the House when there is no quorum present.

2. To fix the time to which the House shall adjourn.

3. To adjourn.

4. To take recess.

5. To lay on the table.

6. For the previous question.

7. To limit or extend limits of debate.

8. To postpone to a fixed time.

9. To lay on the Clerk's desk.

10. To refer or commit.

11. To amend.

12. To postpone indefinitely.

The above several motions shall have precedence in the order in which they are arranged and the first seven of them shall not be debatable.

A second motion to adjourn, to take a recess, to lay on the table, for the previous question, to limit or extend limits of debate, to postpone to a time certain, to lay on the Clerk's desk, to refer or commit or to postpone indefinitely shall not be in order on the same day, upon the same question, and at the same status unless other business intervenes; provided, however, that amendments may be made to the time to which it is proposed to adjourn, to take a recess or to postpone to a fixed time.

Rule 10. Motion to Adjourn. A motion to adjourn, to take a recess, or a motion to adjourn to a time certain, shall always be in order, except when a member is speaking, while a vote is being taken or when the Committee on Committees is reporting; subject, however, to the limitations set out in Rule 9. A motion to adjourn or a motion to adjourn to a time certain shall be taken by roll call vote.

Rule 11. Motion to Table. The adoption of the motion to table, under these rules, defeats the subject matter under consideration. The reconsideration of the motion to table shall require approval of a majority of the members elected.

Rule 12. Previous Question. When the previous question has been ordered, a vote shall be taken immediately upon the pending measure and such pending amendments as are in order. The effect of the previous question shall be to put an end to all debate; to prevent the offering of additional amendments and to bring the House to an immediate vote upon the measure and amendments aforesaid. The previous question may be ordered by a majority of the members elected. On the call of the roll, no member shall be allowed to speak more than three minutes to explain his vote and shall not speak at all if the question is not a debatable question. After the previous question has been ordered, and before the vote upon the main question, the opponents of the measure shall have ten minutes, and proponents of the measure shall have ten minutes.

Rule 13. Motion to Set the Limits on Debate. A motion to set a time limit for debate on a measure, in excess of that permitted under Rule 12, shall be in order unless the previous question shall have been ordered on the measure. The time limit set for debate under this rule shall be allotted by the Speaker evenly between the opponents of the measure and the proponents of the measure. Adoption of a motion under this rule does not prevent the offering of additional amendments.

Rule 14. Motion to Reconsider. A motion to reconsider a vote shall not be in order unless made by a member who voted upon the prevailing side of the question; nor shall such motion be in order unless made within two legislative days in which the House is in session next after the date the vote was taken; however, the motion to reconsider when coupled with the additional motion to lay that motion upon the table may be made by any member.

Rule 15. Motion to Lay on Clerk's Desk. The effect of the adoption of a motion to lay on the Clerk's desk under these rules is to place in charge of the Clerk the pending question and everything adhering to it. A motion laid on the Clerk's desk may be taken from the desk and proceeded with at any time in the same order as when laid on the Clerk's desk.

Rule 16. Motion to Strike Out Enacting Clause. A motion to amend by striking out the enacting words of a bill or resolution shall have precedence over a motion to amend; and, if adopted, shall have the same effect as though the bill or resolution were regularly voted upon and rejected.

Rule 17. Motion to Separate Part of a Measure. A motion to commit, recommit, or postpone a part of a measure so as to separate that part of the measure from the remainder shall not be in order.

Rule 18. Postponement of Measure. When a measure shall have been postponed indefinitely it shall not be in order again during the session.

Rule 19. Reading of Pending Papers. Any pending bill, resolution, motion or report shall be read by the Clerk upon the demand of any member, but it shall not again be read on the same day unless so ordered by the House.

Rule 20. Nominations. In all elections a previous nomination shall be made.

MEMBERS

Rule 21. Attendance of Members. No member shall absent himself from a session of the House without leave from the House. Written request for leave of absence may be obtained from the Clerk of the House and shall be submitted to the Speaker. The request shall state thereon the member's excuse for obtaining the leave. No excuse for leave of absence shall be heard from the floor.

Rule 22. Decorum of Members. No member shall designate another member by name.

Rule 23. Call to Order. If any member, in speech or otherwise, transgress the rules of order or decorum, he shall immediately be called to order by the chair and shall take his seat. The Clerk shall reduce the objectionable words to writing and read them to the House. After hearing a short explanation from the member called to order, or upon the withdrawal of the objectionable language, the Speaker may permit the member to proceed, or may compel silence upon him until the matter is disposed of. The ruling of the chair shall be subject to an appeal to the House. A member offending the House shall be liable to censure.

Rule 24. Debate. No member may speak more than once to the same subject until all members desiring to be heard have spoken, but nothing in this rule shall do away with the previous question if then in effect, nor permit debate on an undebatable motion.

No member shall speak more than thirty minutes in the aggregate on any question or measure, at the end of which period, or any portion thereof, the floor shall be returned to the Speaker.

Rule 25. Members Shall Vote at Seats. A member shall vote only when at his seat or visibly approaching it.

OFFICERS AND EMPLOYEES

Rule 26. Duties of Speaker. The Speaker shall take the chair every day precisely at the hour fixed for the meeting of the House and on the appearance of a quorum, shall cause the Journal of the preceding day to be read, unless the reading of the same is dispensed with by the House.

The Speaker shall preserve decorum and order and, in the event of any disorder in the gallery or in the House Chamber, may cause the same to be cleared of any persons creating disturbances or disorders.

All writs, warrants, subpoenas or other processes shall be signed by the officer who may be presiding over the House when the paper is issued; and his signature shall be attested by the Clerk, when ordered by a majority of the members.

Rule 27. Appeal from Decision of Chair. The Speaker while presiding may speak to points of order in preference to members. He shall decide points of order and manner of procedure. If two or more members arise from their respective seats and address the chair, the Speaker shall determine who was first and recognize him.

Any decision made by the Speaker shall be subject to appeal to the House. Every such appeal shall be in writing and signed by at least two members. During the pendency of an appeal to the House from a decision of the chair, the Speaker shall vacate the chair and call the Speaker Pro Tempore to preside. When the Speaker Pro Tempore is presiding on an appeal to the House from a decision of the Chair, no motion or business shall be in order except the motion on appeal from the decision of the Chair, and that motion shall not be debatable.

Rule 28. Speaker Pro Tempore. The House shall elect a Speaker Pro Tempore. The Speaker Pro Tempore shall perform the duties of the Speaker when the Speaker is absent from the House or when empowered by the Speaker to perform the duties of the chair.

Rule 29. Duties of Legislative Research Commission. The Legislative Research Commission shall have charge of all clerical, technical and procedural matters which relate to legislation including but not limited to: notification of committees of their appointment and business referred to them; keeping a calendar showing such bills as are entitled to their second reading each day, distinguishing between House and Senate bills; superintend the engrossing and enrolling of bills; and such other matters as are assigned by the Committee on Committees.

Rule 29A. Duties of Clerk. The Clerk shall have charge of clerical and administrative functions not assigned to the Legislative Research Commission and shall cooperate with the Commission to facilitate the work of the House. The Clerk shall read to the House papers ordered to be read; call the roll and note the answers of members when a question is taken by yeas and nays; assist the Speaker in taking the count when any vote of the House is taken; attest all writs, warrants and subpoenas issued by order of the House; certify to the passage of all bills and to the adoption of all joint and concurrent resolutions by the General Assembly; and make all reports to the Senate. The Clerk shall perform such other duties as are assigned by the Committee on Committees.

Rule 30. Journal of Proceedings. The Legislative Research Commission shall cause to be kept the Journal of the proceedings of the House. The Commission staff shall note upon the Journal all questions of order, together with the disposition of same, and the dates upon which all bills and resolutions were sent to committee and returned to the House. The House may correct errors in the Journal the day the Journal containing errors is presented to the House. No record which is in the hands of the Commission staff and is required by law to be entered upon the Journal of the House shall be copied by any person until same shall have been entered upon the Journal and said Journal shall have been approved.

Half an hour before the time fixed for the meeting of the House each day, the Commission staff shall be present at the Clerk's desk with the Journal of the preceding session for inspection of any member of the House.

The Journal for each day, as soon as it has been approved by the House, shall be delivered by the Commission staff to the public printer. The Commission staff shall proofread and index the Journal upon return from the printer and make necessary typographical corrections.

Rule 31. Custody of Papers. The Legislative Research Commission shall have custody of all records, minutes, reports, and documents pertaining to legislation, and shall not allow them to be taken from its possession without the leave of the House, unless to be delivered to the chairman of a committee to which they have been referred. The Legislative Research Commission shall cause to be enclosed on bills and papers brief notes of proceedings had thereon by the House and preserve the same in convenient files for reference.

Rule 32. Accounts of Expenditures. The Legislative Research Commission shall keep the accounts for pay and mileage of members, officers and attaches, and for printing and other contingent expenses of the House and Senate.

Rule 33. Printing of House Papers. The Legislative Research Commission shall have supervision and charge of all printing done for the House as certified by the Clerk and the public printer shall print only such documents and other matter as the Legislative Research Commission authorizes. The Clerk shall report to the Speaker every failure to execute printing work correctly and promptly.

Rule 34. Duties of the Sergeant-at-Arms. It shall be the duty of the Sergeant-at-Arms and the Doorkeeper to exclude or remove all persons not entitled to the floor of the House. One hour before convening of the House each day the Sergeant-at-Arms shall announce in a loud, distinct voice: "All persons not entitled to the floor of the House under the rules thereof will now vacate the House Chamber." He shall then compel all persons who are not entitled to remain therein to leave the House Chambers and shall prohibit their entry until one hour after the House has adjourned.

Rule 35. Appointment and Conduct of Constitutional Employees. The constitutional employees of the House shall be appointed by election during the organizational and regular sessions of the General Assembly and shall serve one year terms or until the election of their successors.

All the constitutional employees of the House, shall, one hour before the meeting of the House each day, report to the Clerk, who shall report to the Committee on Committees whether or not all of said employees are on duty. The Committee on Committees, whenever it deems it necessary, shall report to the House any dereliction of duty.

Rule 36. Other Employees. All other professional, clerical and other services required by the House or its committees shall be furnished by the Legislative Research Commission, upon the request of the Committee on Committees. Employees performing such services shall be under the supervision of the Committee on Committees.

No officer or employee of the House shall receive any fee, tip or compensation from any member and violation of this rule shall be ground for dismissal.

COMMITTEES

Rule 37. Committee on Committees. There shall be a Committee on Committees composed of the Speaker of the House, the Speaker Pro Tempore, the Majority Caucus Chairman, the Majority Floor Leader of the House, the Majority Party Whip, and the Minority Floor Leader of the House. The Speaker shall be Chairman of the Committee and the majority of said Committee shall have full power to act on all matters referred to said Committee, either by these rules or by the action of the House. All bills and resolutions, either joint or concurrent, shall upon their introduction, be automatically referred to the Committee on Committees who shall refer same to the proper Committee not later than the second day in which the House is in session after the date of introduction.

The Committee on Committees shall have supervision and control over all employees of the House, whether elected by the House or provided by the Legislative Research Commission, and the Committee on Committees shall see that they perform all of their duties to the House and the members thereof. The Committee on Committees is empowered to discharge any or all said employees and officers except the constitutional officers of the House. The Committee on Committees shall appoint the members of all standing and special committees and shall fill any vacancies thereon in accordance with Rule 39.

Rule 38. Standing Committees. The following shall be the standing committees of the House:

1. Agriculture and Small Business

2. Appropriations and Revenue
3. Banking and Insurance
4. Business Organizations and Professions
5. Cities
6. Counties and Special Districts
7. Economic Development
8. Education
9. Elections and Constitutional Amendments
10. Health and Welfare
11. Judiciary
12. Labor and Industry
13. Natural Resources and Environment
14. State Government
15. Tourism Development and Energy
16. Transportation

Rule 39. Appointment of Committees. The Committee on Committees shall appoint the Chairman, Vice Chairman and the members of all standing and special committees and shall fill any vacancies thereon. In making such appointments to standing committees the Committee on Committees shall appoint a member with service in the immediately preceding regular session to at least one committee on which the member served in such previous regular session. Such appointment to the one committee shall be at the preference of the member, and the Committee on Committees shall be bound by the member's preference for that one committee; provided, however, a member who was a committee chairman in the preceding regular session must select for reappointment the committee he so chaired if he wishes to be considered for the chairmanship of that committee; if another selection is made, he shall not be reappointed chairman of the committee which he chaired in the preceding regular session. A member of the Committee on Committees shall not serve as chairman of a standing committee. A chairman of a standing committee or statutory committee shall not serve as a member of the Committee on Appropriations and Revenue. The Committee on Committees shall select members of each standing and special committee in proportion to the representation of each political party in the House. The Vice Chairman shall act in the absence of the Chairman. The Chairman of any committee may appoint subcommittees to conduct hearings or study any matters which have been referred to the committee.

Before the Committee on Committees shall appoint the members of standing and special committees the number of members on the committee to be appointed shall be announced to the House. At the same time, the Committee on Committees shall announce the number of members of the committee to be appointed from the majority party and the number of members to be appointed from the minority party.

The Committee on Committees shall not appoint more than twenty-four members to any one standing committee. Every member of the House shall be appointed to at least one standing committee and no member shall be appointed to more than three of the following committees: all standing committees except the Committee on Appropriations and Revenue, the Committee on Education and the Committee on State Government, and the Committee on Committees.

In appointing the membership of standing committees, the Committee on Committees shall consider the predominant business interests or occupation of each member so that the private interests of a majority of a committee's members do not correspond to the jurisdiction of the standing committee.

Rule 40. Jurisdiction of Standing Committees. The Committee on Committees shall refer each bill to the Committee with control over the subject matter. All bills and resolutions on the same subject matter shall be referred to the same committee. The general jurisdiction of the several standing committees shall be:

1. Agriculture and Small Business: matters pertaining to crops, livestock, poultry and their marketing; disease control and warehousing; tobacco; stockyards; agricultural cooperatives and marketing associations; agriculture weights and measures; veterinarians; the State Fair; county fairs; all matters not specifically assigned to another committee relating to administrative, regulatory or operating issues which, because of their smaller size, uniquely impact small business.

2. Appropriations and Revenue: matters pertaining to the executive budget and other appropriations of state monies; the levying of state and local taxes, including school taxes; property tax rates and assessments; the state debt; revenue bond projects; veterans bonus; claims upon the treasury; accounting of state funds by local officers; audits for state purposes; budget and financial administration; payment, collection and refund of taxes.

3. Banking and Insurance: matters pertaining to banking; banks and trust companies; petty loan companies; building and loan associations; credit unions; investment companies; industrial loan corporations; securities; the Blue Sky Law; mortgage guaranty insurance; assessment and cooperative insurance; fraternal benefit societies; hospital service corporations; burial associations; medical and dental service corporations; life, accident, indemnity and other forms of insurance; stock and mutual insurance companies; banking and insurance aspects of the Uniform Commercial Code; interest and usury; pawnbrokers; private credit; consumer credit; sale of checks; installment sales contracts; legal investments; principal and income.

4. Business Organizations and Professions: matters pertaining to professional licensing not assigned specifically to another committee; racing; prize fighting and wrestling; places of entertainment; laundry and dry cleaning; alcoholic beverage control; private corporations; cooperative corporations and marketing associations; religious, charitable and educational societies; nonprofit corporations; professional service corporations; cemeteries; barbers and cosmetologists; professional engineers and land surveyors; architects; real estate brokers and salesmen; public accountants; watchmakers; detection of deception examiners; auctioneers; business schools; warehouses and warehousemen; partnerships; trade practices.

5. Cities: matters pertaining to the officers, organization, government and financing of city government; special purpose assessment and taxing districts within a city; incorporation and classification of cities; city revenue bond projects; the imposition of duties and costs on cities; city taxes and licenses; city indebtedness; compensation of city officers; metropolitan sewer districts; interlocal government cooperation; housing projects; urban renewal and redevelopment; city streets and sidewalks; sewers; annexation of territory; consolidation of local government services; forms of city government; city civil service; city finances and revenue; public works; police and fire departments and their retirement systems; parks and playgrounds; planning and zoning; acquisition of waterworks and water districts by cities; financing of municipal improvements; urban service districts; police court and city attorney; city libraries.

6. Counties and Special Districts: matters pertaining to the officers, organization, government and financing of county governments; county imposed taxes and licenses; county and special district debt; the imposition of duties and costs on counties; special districts not assigned to another committee; the powers, duties and composition of fiscal court; compensation of county officers and employees; the offices of county judge, magistrates, county attorney, sheriff, constable, county police, jailer, coroner, surveyor, county clerk; county employees' civil service and retirement; planning and zoning; interlocal cooperation and consolidation of services; county roads; public road districts; water districts; fire protection districts; issuance of bonds for county and special district projects; metropolitan sewer and sanitation districts; local air pollution control districts; county and county law libraries; library districts.

7. Economic Development: matters pertaining to commerce, industry, and economic and industrial development not specifically assigned to another committee; economic development planning, international trade and investment; investment companies and industrial loan corporations as they relate to economic and industrial development; recruitment of business and industry; small business matters relative to economic and industrial development; financing of business and industrial development; business regulatory matters, including the Uniform Commercial Code, relative to economic and industrial development; worker training; technology development and application; chambers of commerce; convention centers and publicly owned exhibition and parking facilities; arts and arts exhibition facilities; state, interstate, and national parks and historic sites; travel promotion and advertising.

8. Education: matters pertaining to public primary, secondary and higher education; the State Board of Education; the State Department of Education; the powers and duties of local boards of education; conduct of schools; attendance; state support of education; the operation of school districts, teachers' qualifications and tenure; the school curriculum; teachers' retirement; school employees; pupil transportation; school property and buildings; vocational education and rehabilitation; state universities and colleges; community colleges; municipal universities and colleges; regional education; education of the physically handicapped; educational television.

9. Elections and Constitutional Amendments: matters pertaining to the proposing of constitutional amendments and the calling of a constitutional convention; ratification of amendments to the United States Constitution; the election of officers to state, local and school board positions; election commissioners, officers and precincts; qualifications, registration and purgation of voters; conduct of regular elections; primary elections; presidential and congressional elections; special elections to fill vacancies; contest of elections; corrupt practices and election financing; election offenses and prosecutions; voting machines; absent ballots.

10. Health and Welfare: matters pertaining to health and welfare in cities; fire prevention and protection; support of dependents; garbage and refuse disposal; public assistance; child welfare; adoptions; mothers aid and assistance to children; children's homes; incompetents; poor persons and poor houses; confederate pensions; aid to needy blind; commitment and care of children; mental health; health, medical and dental scholarships; local health units and officers; vital statistics; communicable diseases; tuberculosis hospitals; hospitals, clinics and personal care homes; foods, drugs and poisons; trailer park regulations; hotel and restaurant regulations as they pertain to public health; sanitation plants; sanitation districts; frozen food locker plants; alcoholism; physicians, osteopaths and podiatrists; chiropractors; dentists and dental specialists; registered nurses and practical nurses; pharmacists; embalmers and funeral directors; clinical psychologists; optometrists, ophthalmic dispensers; physical therapists.

11. Judiciary: matters pertaining to contracts; the Uniform Commercial Code; debtor-creditor relations; ownership and conveyance of property; private corporations and associations; competency proceedings; administration of trusts and estates of persons under disability; descent, wills and administration of decedents' estates; domestic relations; support of dependents; statutory actions and limitations; eminent domain; arbitration; summary proceedings; declaratory judgments; witnesses; evidence; legal notices; construction of statutes; civil procedure; the Supreme Court, the Court of Appeals, Circuit Courts and District Courts; jurisdiction, rules, terms, judges, commissioners, selections, districts, qualifications, compensation and retirement; clerks of courts; juries, attorneys; commissioners and receivers; court reporters; habeas corpus; crimes and punishments; criminal procedure; probation and parole; correctional penitentiaries; civil rights; and juvenile matters.

12. Labor and Industry: matters pertaining to the work-force and workplace not specifically assigned to another committee; labor unions; collective bargaining; liquefied petroleum gas and other flammable liquids; electricians; plumbers and plumbing; wages and hours; garnishments; safety and health of employees; child labor; employment agencies; apprenticeship; unemployment compensation; workers' compensation; consumer protection; industrial weights and measures.

13. Natural Resources and Environment: matters pertaining to forestry; mining; fish and wildlife resources; soil and water conservation; flood control and water usage; drainage and irrigation; geology and water resources; waterways and dams; oil, gas and salt water wells; state and national parks; drainage districts and local flood control and water usage; water pollution; air pollution; management of waste; protection of the environment; Natural Resources and Environmental Protection Cabinet.

14. State Government: matters pertaining to the sovereignty and jurisdiction of the Commonwealth; the General Assembly, its committees, officers and service agencies; redistricting; the Governor; the Lieutenant Governor; intergovernmental cooperation; relations with the federal government; administrative organization; administrative regulations; statutory administrative agencies; Department of Law; Secretary of State; state personnel; state retirement systems; military affairs and civil defense; public property and public printing; public officers, their terms, appointments, fees, compensation, removal, oaths and bonds; public information; state and regional planning; the libraries; archives and records; public corporations; Commonwealth's attorneys; circuit clerks.

15. Tourism Development and Energy: matters relating to tourism and travel promotion and development; state, interstate, and national parks and historic sites; fish and wildlife; small business matters relative to tourism development; hotels and motels generally; hotel and restaurant regulations; billboards; advertising related to tourism development; entertainment establishments; campgrounds; the Tourism Cabinet; privately owned public utilities; rates, permits, certification of convenience and necessity; water district rates; utilities in cities; public utility cooperatives; electric and gas utilities and cooperatives; oil and gas transmission companies; telephone companies and cooperatives; municipal utilities and water works; energy and fuel development, including synfuels; energy waste disposal; Utility Regulatory Commission and Energy Regulatory Commission; solar and other renewable energy; hydroelectric and thermo-nuclear energy; and gasohol. Subcommittees of the Committee on Tourism Development and Energy shall include but not be limited to the Subcommittee on Tourism and the Subcommittee on Energy.

16. Transportation: matters relating to airports and aviation; boats and boating; licensing of motor vehicles; operators and trailers; financial responsibility law; nonresident motorists; motor vehicle sales; railroad rates, service and operating regulations; motor carriers; matters pertaining to the construction and maintenance of the state highway system; the Department of Transportation; state aid for local roads and streets; the

state police; the Federal Highway Safety Law; turnpike authority; state and federal highways; limited access facilities; use of road bond monies; automobile recyclers; highway beautification; bridges, tunnels and ferries; traffic regulations; vehicle equipment and storage; driver training schools.

Rule 41. Rules Committee. There shall be a Rules Committee composed of the Speaker of the House, the Speaker Pro Tempore, the Majority Floor Leader, the Majority Caucus Chairman, the Majority Party Whip, the Minority Floor Leader, the Minority Caucus Chairman, the Minority Party Whip, and not less than nine nor more than thirteen members appointed by the Committee on Committees. All bills and resolutions having been reported out of the committee to which referred and having received their second reading shall be referred to the Rules Committee. The Rules Committee may refer any bill or resolution before it back to a standing committee; provided, however, that such recommitment shall be accompanied by an explanation of the reason therefor, and that no bill or resolution shall be referred back by the Rules Committee on more than one occasion. All meetings of the Rules Committee shall be open to members of the House and to members of the Capitol Press Corps only. No electronic devices of any nature including cameras and recording devices shall be allowed in the committee room or to be used therein by any person while the Rules Committee is in session. No bill may be kept in Rules Committee for longer than five legislative days. Within that time, each bill must be reported to the floor or referred back to a standing committee.

The Majority Floor Leader shall while the Rules Committee is in session call bills and resolutions and shall call the same for consideration by the Rules Committee. A bill or resolution may be placed for consideration in the first order of business at the next regular Rules Committee meeting by a majority of the membership voting for such consideration.

Each member shall be given an opportunity upon request to appear before the Rules Committee when a bill of which he is a sponsor or co-sponsor is under consideration including the subsequent vote thereon. No measure shall be posted in the Orders of the Day for final passage except by order of the Rules Committee unless otherwise ordered posted for the next succeeding legislative day by a majority of the members voting. The Rules Committee shall arrange the Orders of the Day so that all measures shall appear thereon for the consideration of the House, but the Rules Committee may not place in the Orders of the Day any bill or other measure in the possession of a standing or special committee of the House. The Rules Committee, prior to each day's session, shall post a notice in a regular place in the House Chamber listing the bills to be considered that day in the Orders of the Day. Should the House not complete any day's Orders of the Day, the bills and resolutions remaining unconsidered shall go to the top of the Orders of the Day on the next day that Orders of the Day are considered.

The Speaker of the House shall act as Chairman of the Rules Committee. The Majority Floor Leader of the House shall act for the Rules Committee in calling from the Orders of the Day any bills or resolutions in the order he deems proper and shall be recognized by the Speaker for said purpose during all times that the Rules Committee is in charge of posting the Orders of the Day. The Speaker Pro Tempore shall act as chairman in the absence of the Speaker.

Rule 42. Liaison Subcommittees: The Committee on Appropriations and Revenue shall be divided into the following six standing subcommittees of seven members each:

1. Subcommittee on Economic Development and Energy, Natural Resources, and Environmental Protection;

2. Subcommittee on Education;

3. Subcommittee on General Government, Finance, and Public Protection;

4. Subcommittee on Human Resources;

5. Subcommittee on Justice and Judiciary;

6. Subcommittee on Transportation.

On four of the subcommittees, as designated by the Committee on Committees, four members shall be members of the Committee on Appropriations and Revenue designated by the chairman of such committee, and three members shall be appointed by the Committee on Committees from the membership of one or more of the remaining standing committees of the House. On the remaining two subcommittees, either three or four members shall be appointed by the Committee on Committees from the membership of one or more of the remaining standing committees of the House, and the remaining members shall be members of the Committee on Appropriations and Revenue designated by the chairman of such committee. A member of the Committee on Appropriations and Revenue may, however, serve on no more than one standing subcommittee.

The chairman of each standing subcommittee shall be appointed by the chairman of the Committee on Appropriations and Revenue from the membership of such committee on the particular standing subcommittee.

The liaison subcommittee members of a standing subcommittee shall have full voting authority in all matters before a standing subcommittee.

The Committee on Committees may assign the chairman of a standing committee as an ex officio non-voting member of a standing subcommittee.

Rule 42A. Budget Review. The standing budget review subcommittees shall notify the membership of the standing substantive committees whose jurisdictional area will be affected by their action of any meetings or hearings and the members of the standing committees may participate as non-voting members.

When the budget review subcommittees have concluded their hearings and formulated their recommendations they shall communicate their recommendations to the affected standing committee or committees who may thereafter file a written response to the recommendations, which response shall be transmitted to the full Committee on Appropriations and Revenue with the subcommittee recommendations.

When the full Committee on Appropriations and Revenue has reported the final budget bill or bills to the floor, it shall notify the affected standing committees of the content of the budget relating to their areas of jurisdiction.

Any budget bill reported out of the Committee on Appropriations and Revenue shall be accompanied by a detailed explanation of modifications of the original budget. The Rules Committee shall not post for passage any budget bill less than five days after the bill has been finally reported out of committee.

Rule 43. Enrollment Committee. The Committee on Committees shall appoint an Enrollment Committee of not more than seven members. The Enrollment Committee shall be responsible for the engrossment and enrollment of bills and resolutions under the Rules of this House.

Rule 44. Committee on Conference. When a House bill has been amended in the Senate and the House refuses to concur in said amendment, or when a Senate bill has been amended in the House and the Senate refuses to concur in said amendment and when neither will recede from such action, the Committee on Committees shall appoint a Committee on Conference to meet a like committee from the Senate. The Committee on Conference shall confer with the Senate Committee and report back to the House within a reasonable time, in the same manner as reports are made for House bills. The conference report shall make no recommendation other than agreement upon or rejection of the matter or matters in controversy, and shall be voted upon, and, if adopted the bill shall immediately be put upon its final passage.

Should a committee on conference report its inability to submit a report, or if either house refuses to adopt its report, each house may appoint a committee on free conference, consisting of three or more members. A committee on free conference shall propose no new appropriation or any appropriation above the level originally designed by either chamber. The free conference report shall be voted on, and if adopted, the bill shall immediately be put upon its final passage.

Except for report of disagreement, the question of consideration of the report of a conference committee or a free conference committee shall not be in order on the same legislative day as distribution of copies of the report together with a staff analysis of the report to the members of the House.

Rule 45. Meetings of Committees. No committee except the Committee on Committees, the Committee on Enrollment and a Committee on Conference between the House and the Senate shall sit while the House is in session, unless by consent of the House. The Committee on Committees and Committee on Enrollment may report at any time except during roll call or while a vote is being taken.

The Committee on Committees, in conference with committee chairmen, shall schedule a definite time and place for the regular weekly meetings of each committee, such schedule to be posted in the House Chamber and published in the Legislative Record. A committee shall meet at the regular weekly scheduled time and place so long as business is pending before the committee. Nothing herein shall prevent the Chairman or a majority of any committee from calling a special meeting in addition to those regularly scheduled.

The Chairman shall keep a record of the attendance of members at meetings, which record shall be filed with the Clerk.

The Director of the Legislative Research Commission, under the direction of the Committee on Committees, shall assign a secretary to each committee and provide any professional, clerical or other employees required by any committee.

The Committee on Committees shall meet on call of the Speaker or on call of a majority of the members of the Committee on Committees.

Rule 46. Committee Reports. No bill or resolution shall be considered by the House except on report of committee. Upon the call of standing committees, the Clerk or the Chairman or ranking member of the committee may report the bill in the following manner:

"With the expression of opinion that the same should pass," or

"With the expression of opinion that the same should pass, with the committee amendment attached thereto," or

"With the expression of opinion that the same should pass, with the committee substitute attached thereto," or

"With the expression of opinion that the same should not pass."

Rule 47. Majority and Minority Reports. It shall require a majority of the committee membership to report a bill. The chairman shall keep a record of the vote of each member on the disposition of each bill, and shall report the total vote on each side to the House. The chairman may sign reports on behalf of a majority of the committee members. His signature shall attest to the action of a majority, but shall not be construed as his personal approval or disapproval of the bill.

A committee report may be accompanied by a minority report, signed by those members who have dissented from the committee's report, and it shall be in order to move the adoption of the minority report as a substitute for the committee's report when the committee offers its report. It shall require a majority of the members elected to adopt the minority report. The committee's report shall always be read before the minority report is read.

Rule 48. Failure to Report. Whenever a committee fails or refuses to report within a reasonable time a bill submitted to it, any member may by filing with the Clerk a written request signed by twenty-five or more members, call the same up for consideration on the next succeeding legislative day after the filing of said request. If a majority of the members elected to the House concur therein, the bill shall be considered as though it had been regularly reported.

Rule 49. Procedure in Committee. The rules of procedure in the House shall be observed in committee insofar as the same are applicable. The committee chairman, or the committee by majority vote in a regularly called meeting, shall post at least ***one*** [~~three~~] calendar ***day*** [~~days~~] prior to their consideration the bills and resolutions to be considered by the committee at its next meeting ***and no*** [~~provided that no bill or resolution shall be posted by the chairman or the committee by a majority vote unless and until a request for posting form has been filed with the committee chairman or secretary and approved as containing satisfactory information by the committee chairman. No~~] measure shall be considered except those posted. A list of the measures to be considered shall be filed with the Clerk at least ***one*** [~~three~~] calendar ***day*** [~~days~~] prior to the meeting. [~~In the case of prefiled bills receiving a favorable expression from the interim joint committee to which they were assigned, posting by the chairman or the committee shall occur during the first week of the session, and such bills shall be considered by the appropriate committee during the first three weeks of the session. No posting request shall be required for such prefiled bills. This rule does not apply to bills with a fiscal impact of more than $20,000.~~]

BILLS AND RESOLUTIONS

Rule 50. Form of Bills. All bills introduced shall be printed on the computerized bill preparation system of the Legislative Research Commission, and none otherwise prepared shall be accepted for introduction. Bills shall be offered as one original and three distinctly legible copies. Identical bills for introduction in the other chamber may be exact reproductions of original bill provided one copy is authenticated by the Director of the Legislative Research Commission as the original to be introduced in the other chamber. The original shall be the official bill, and shall be retained by the Legislative Research Commission staff for the use of the House until engrossed and sent to the Senate. A replacement original of a bill, generated pursuant to these Rules, shall thereafter be considered the original and official bill. One copy shall be used by committees; one copy shall be for the use of the press and shall be given to a person designated by the Press Club; and one copy shall be retained by the Legislative Research Commission for its work file. Each copy shall be backed with a protective cover, as provided for this purpose by the Legislative Research Commission. The title of the bill, or a portion thereof, and the signature of the member introducing the bill shall be placed on each cover.

In all bills, as introduced and as printed, any new matter contained therein shall be underscored; and when an amendment proposes the omission or elimination of matter in an existing law, such omission or elimination shall be indicated on the bill by placing the material proposed to be eliminated in brackets, and by striking through the words to be omitted or eliminated with a single line so as not to render such words illegible. In any bill seeking to repeal existing sections of the Kentucky Revised Statutes said sections sought to be repealed shall be identified by way of inclusion of the headnotes applied to each such section as it appears in the Kentucky Revised Statutes. The Legislative Research Commission staff shall see that all bills introduced have been prepared through the computerized bill preparation system of the Legislative Research Commission.

Rule 51. Introduction of Bills. Bills and resolutions may be introduced by filing them with the Bill Introduction Clerk in her office at any time the same is open. Bills and resolutions introduced by filing them with the Bill Introduction Clerk after the House has concluded Item 4, in Rule 4, Order of Business, shall be considered as having been introduced the next succeeding legislative day. The Bill Introduction Clerk shall number bills in the order received and transmit a copy immediately after introduction on the House floor to the Committee on Committees for reference to committee. [~~No bill or resolution having the force of law shall be introduced after the thirty-eighth legislative day of the session. The last two legislative days preceding the veto recess shall be reserved by the House exclusively for the business of concurring in amended House bills.~~]

Rule 52. Fiscal Note Required. A sponsor of a measure may at any time prior to the filing of a request for posting form require a fiscal analysis to be made by the Legislative Research Commission upon the same and a fiscal note attached thereto.

The chairman of the committee to which the measure has been referred may, at any time after a request for posting form is filed with the committee by the sponsor, determine that a fiscal analysis is required on any measure not carrying a fiscal note. The chairman upon such determination shall cause a fiscal analysis to be made by the Legislative Research Commission and a fiscal note attached prior to posting the measure for consideration.

After posting the measure, a majority of the committee may determine that a fiscal analysis is required on any measure not already carrying a fiscal note and shall direct the same to be accomplished and fiscal note attached with all dispatch. A committee may consider any measure on the date for which it is posted even if it is determined by the committee on that date that a fiscal analysis is required, however, no final action shall be taken by the committee upon said measure until a fiscal note is presented to the committee and attached to the measure.

Any member proposing to amend from the floor a bill or resolution which carries a fiscal note or if the proposed amendment itself carries a fiscal implication, the member proposing the amendment shall cause a fiscal analysis of the amendment to be made and a fiscal note attached to the proposed amendment at the time of introduction. In the event an amendment is introduced without a fiscal note, any member may raise the question of fiscal implication to the amendment by a motion and by majority vote require a fiscal analysis to be made and a fiscal note attached to the amendment. If a fiscal analysis and note is required by the membership, action on the bill or resolution to be amended along with the proposed amendment shall be passed over in the Orders of the Day but retained in the Orders of the Day. A fiscal note required by the membership shall be filed and attached to the amendment prior to the convening of the session of the next legislative day. In the event it is impossible to complete the analysis and prepare a fiscal note before the convening of the session on the next legislative day, the Director of the Legislative Research Commission shall so advise the membership by letter and state a time in which the same can be completed and filed with the House.

If the Director of the Legislative Research Commission certifies that the fiscal note cannot be completed within the prescribed time, the amendment shall not be in order unless the members, by majority vote, determine either: (1) act on the amendment and the bill or resolution without the benefit of the fiscal note, or to (2) pass over the bill or resolution in the Orders of the Day and allow it to be retained in the Orders of the Day until the fiscal note is filed.

Rule 52A. Local Mandate Impact Statement. Any bill which relates to any aspect of local government or any service provided thereby shall be analyzed by the Legislative Research Commission for its fiscal impact upon local governments and if determined to contain a local mandate shall have a local mandate impact statement attached prior to final consideration.

No measure which contains a local mandate shall be placed in the Orders of the Day until the local mandate impact statement is attached unless the requirement of the statement has been waived by a vote of two-thirds of all members of the House.

Any member proposing to amend from the floor a bill which contains a local mandate or if the proposed amendment itself contains a local mandate, shall cause a fiscal analysis of the amendment to be made and a local mandate impact statement attached to the proposed amendment. Until such time as the local mandate impact statement is prepared and attached to the amendment, action on the bill to be amended along with the proposed amendment shall be passed over in the Orders of the Day but retained in the Orders of the Day.

Rule 52B. Corrections Impact Statement. Any bill which relates to any aspect of state or local corrections or any service provided thereby, including any bill which creates or modifies any criminal penalty, shall be analyzed by the staff of the Legislative Research Commission for its fiscal and corrections population impact upon state and local governments and shall have a fiscal and population impact statement attached prior to final consideration. No measure which relates to any aspect of state or local corrections shall be placed in the Orders of the Day until the corrections impact statement is attached. Any member proposing an amendment from the floor which relates to state or local corrections shall cause a corrections impact statement to be prepared and attached to the proposed amendment. Until the time the corrections impact statement is prepared and attached to the amendment, action on the bill to be amended along with the proposed amendment shall be passed over in the Orders of the Day but retained in the Orders of the Day. The requirement for the corrections impact statement may be waived by a vote of two-thirds (2/3) of all members of the House.

Rule 53. Proposed Administrative Regulations. (1) Before committee consideration of any bill originating in the House, which contains the authority for any agency, board or political subdivision of state government to promulgate regulations, the bill shall have attached a copy of a statement of legislative intent for the bill, including a summary of guidelines to be followed in preparing regulations pursuant to the bill.

Every committee shall have the exclusive right to determine whether the summary submitted meets the requirements of this rule. The committee may waive the provisions of this rule by majority vote, and shall acknowledge on its committee report the receipt of and consideration of the matters submitted with the bill pursuant to this rule.

The purpose of the requirements of this rule is to inform the House of the general scope of the regulations authorized by the bill and to provide a permanent record of legislative intent; and pursuant thereto, when any bill subject to the provisions of this rule becomes law the Director of the Legislative Research Commission shall cause to be filed with the Administrative Regulation Review Subcommittee of the Legislative Research Commission the summary of the regulations submitted with the bill to be used by the Administrative Regulation Review Subcommittee when reviewing regulations promulgated pursuant to the bill. The Administrative Regulation Review Subcommittee shall use the material submitted with the bill to determine legislative intent.

Nothing contained in this rule shall preclude the promulgation of regulations differing from those filed or summarized and submitted with the bill.

(2) This amendment of the Rules of the House of Representatives shall apply only to bills introduced after February 5, 1980.

Rule 54. Rejected Administrative Regulations. When an administrative regulation has been referred by the Clerk to a standing committee of the House, the committee shall review the regulation and take such action as it deems appropriate. If the committee recommends rejection it must set forth in its report the reasons for its rejection which shall be for either of the following reasons, or both: (1) The administrative regulation does not conform to statutory authority. (2) It does not carry out legislative intent.

Unless the House and Senate committees both recommend rejection of the regulation in their committee reports and the committee reports are thereafter adopted by at least two-fifths of the members elected to each house, and a majority of the members voting, the regulation shall become effective.

When a House committee report recommending rejection has been adopted by the House as set forth above, the House Clerk shall so notify the Clerk of the Senate.

If both the Senate and the House have approved committee reports recommending rejection of a regulation, a report to that effect shall be signed by both clerks and sent to the promulgating agency and the regulations compiler. A copy of this report shall be on file in the office of the Clerk of the Senate and in the office of the Clerk of the House.

Proposed regulations that have been properly laid before the General Assembly shall become effective upon sine die adjournment of the General Assembly unless the General Assembly in regular session shall disapprove the proposed regulation.

Rule 55. Reference of Bills. The Committee on Committees shall refer all bills to the proper standing committee not later than the second day in which the House is in session after the date of introduction. When a House bill has been amended in the Senate and has been returned to the House for concurrence in the amendment, it may be referred to a committee in the same manner as original bills are referred. Bills originating in and passed by the Senate when reported to the House shall be referred to the Committee on Committees and shall take the same course as other bills.

Rule 56. Printing of Bills. Upon receipt of a bill, the Legislative Research Commission shall examine the form of the bill to ensure that it is free from errors of form or typography and has been assigned the proper KRS section or chapter numbers. If a formal change is necessary the Commission shall request the sponsor of the bill to sign a form approving the specified changes. If a bill is found to be correct, or corrections have been approved, the Commission shall authorize its printing.

The Legislative Research Commission shall have printed at least two hundred copies of each bill or resolution carrying the force and effect of law introduced in the House and of each bill or resolution carrying the force and effect of law acted on by the Senate and reported to the House. Bills shall be printed in the order in which they are introduced and shall be distributed to members immediately upon receipt from the printer.

Rule 57. Readings of Bills. If a bill be reported with the expression of opinion that it should not pass a vote may then be taken on whether it shall be read at length and be placed on the Calendar, if a majority of the members elected to the House shall concur therein. When reported favorably by the committee, the bill shall then be given its first reading at length and shall be placed by the Commission staff upon the Calendar to be kept by the staff, and shall then be entitled to its second reading the next succeeding legislative day.

Every bill shall be read at length on three different legislative days; but the second and third readings thereof at length may be dispensed with by a majority of all the members elected to the House and the bill read by its title.

Rule 58. Calendar; Consent Calendar. (1) In order to reduce the time required for final passage of bills posted in the Orders of the Day, a consent procedure for the consideration of uncontested bills shall be established and designated as follows:

(a) The Commission staff shall keep a Regular Calendar and a Consent Calendar for each legislative day showing the bills receiving their second reading.

(b) The Commission staff shall also keep a Regular Orders and a Consent Orders showing bills posted for final passage by the Rules Committee.

(2) Bills reported by a Standing Committee with a regular "should pass" or "should pass with committee amendment/substitute attached" recommendation shall be shown in the Regular Calendar on the day on which they are entitled to a second reading.

(3) A Standing Committee may at the time of favorably reporting any House or Senate Bill, recommend that it be placed in the Consent Calendar provided:

(a) The primary sponsor has so requested when it is a House Bill, and

(b) The bill receives a "should pass" or "should pass with committee amendment/substitute attached" recommendation from such committee by a unanimous vote of the members present.

Any House or Senate Bill thus reported shall be first placed in the Consent Calendar on the day on which it is entitled to a second reading and shall continue to be shown in said Calendar until taken therefrom by the Rules Committee and posted in the Consent Orders. Bills receiving a second reading should be so designated to distinguish them from bills which have already received their second reading.

(4) A certificate shall be attached to each bill recommended for the Consent Calendar showing the request of the sponsor of any House Bill, and the unanimous recommendation of the members present signed by the Chairman.

(5) After a sufficient number of bills have accumulated in the Consent Calendar, the Rules Committee may post any or all of said bills to the Consent Orders for a day certain. On that day certain the Consent Orders shall be called before the Regular Orders.

(6) Upon the call of the Consent Orders each bill in said Orders shall be given a third reading by title only. The Speaker shall then allow a reasonable time for questions from the floor and any explanation necessary by the sponsor or committee chairman. Consent Order bills may not be amended from the floor.

(7) The Commission staff shall attach a roll call to each bill in the Consent Calendar and any member may at any time prior to passage of the Consent Orders record with the Commission staff his "nay" or "pass" vote on any bill within the Consent Calendar or Consent Orders.

(8) Upon the call for the question on the Consent Orders, the Speaker shall instruct the Commission staff to announce the "nay" and "pass" votes previously filed on each bill in the Consent Orders. All other members present in the chamber on the day and at the time the Consent Orders are called shall be considered as having voted "aye" and the roll call attached to each bill shall so reflect as the final vote.

(9) Upon the written petition of any five members objecting to the placement or retention of any bill in the Consent Calendar or Consent Orders, such bill shall cease to be so considered and shall be placed in the Regular Calendar or Regular Orders as provided in these rules.

Rule 59. Orders of the Day. When a bill has had its second reading it shall be placed in the Orders of the Day, or be recommitted, and when next reached in the House it shall be ready for recommitment, or to be read a third time and placed upon its passage, and the Speaker shall so announce to the House.

A bill may be recommitted or amended in accordance with these rules at any time before its passage. Bills shall be placed in the Orders of the Day in the order in which they have been given their second reading, and shall be taken therefrom in accordance with Rule 41. When a House bill is in the Orders of the Day, it shall be in order on motion of the author to substitute for it an identical Senate bill which is in the Calendar of the House.

No bill shall be taken from the Orders of the Day unless it shall have been printed and previously distributed to members.

Rule 60. Final Passage. When a House bill has been amended in the Senate and the House has concurred in the amendment, the bill as amended shall immediately be placed upon its passage.

Rule 61. Amendments to Bills. All amendments offered shall be on sheets with a proper heading printed in black, furnished by the Commission staff, and shall bear the signature of the members offering the same. All amendments shall give the proper page and line of the printed bill. Three copies of each amendment shall be introduced. No amendment shall be in order that is not germane to the matter under consideration and unless it shall have been printed and previously distributed by the Clerk to members at least one legislative day prior to consideration of the bill or resolution and unless it complies with Rule 52 relative to fiscal analysis; and the Speaker, when the question is raised, shall rule as to the admissibility of the proposed amendment, subject to appeal to the House.

Any amendment to a House bill under consideration containing the substantial text of the language of another bill shall require for its consideration the affirmative vote of a majority of the members of the House. The commission staff shall cause such amendments to be identified when the bill proposed to be amended thereby is posted on the Orders of the Day. When a question is raised as to the identity of the proposed amendment containing the substantial text of another bill the Speaker shall rule thereon, subject to appeal to the House.

Rule 62. Engrossment of Bills. Every House bill and joint resolution, together with the amendments thereto, which has been passed by the House and not subject to further amendment or motion, shall be engrossed by the Commission staff. The Clerk shall endorse thereon the day of passage or adoption. The bill shall be delivered to the Senate in open session by the Clerk or someone designated by him, and Senate concurrence asked therein. A like procedure shall be observed toward Senate bills.

When engrossing a bill, the Commission staff may incorporate amendments by means of typing or by generating a replacement original of the bill through computerized process.

Rule 63. Enrollment of Bills. All House bills and resolutions which have passed both the Senate and the House shall be delivered by the Commission staff to the Enrolling Clerk, taking a receipt therefor, in the order in which passed. The Commission staff shall keep the number and title of all bills and joint and concurrent resolutions carrying the force and effect of law, passed by the House of Representatives and the Senate in a suitable record book attesting the fact and date of passage.

In the event a bill which originates in the House is amended by the Senate and the House concurs in the amendments proposed and adopted by the Senate, the Commission staff shall engross said amendments in the original copy of the bill by typing or may generate a replacement original copy of the House bill through computerized process, before delivering the bill to the Enrolling Clerk of the House.

In cases of extreme emergency and during the last three days prior to sine die adjournment, where no correct printed copy can be produced, the Enrolling Clerk may enroll such bill or resolution by typing the same.

The original bill or resolution or replacement therefor, if applicable, and an enrolled copy shall be delivered to the Committee on Enrollment. The Enrolling Clerk shall certify that each are in the exact form as finally passed prior to such delivery. The Committee on Enrollment and the Enrolling Clerk shall jointly compare the original bill with the enrolled copy, and if the enrollment is ascertained to be correctly done, the Committee shall report the same to the House. If any bill or resolution is found not correctly enrolled, it shall be returned to the Enrolling Clerk to be properly enrolled and delivered to the Committee on Enrollment as is first provided herein.

Rule 64. Signing of Bills. The Enrolling Clerk of the House shall deliver the original and enrolled copies of House bills and resolutions signed by the Speaker to the Chairman of the Enrollment Committee of the Senate for presentation to the President of the Senate for his signature. When signed by the President of the Senate, the enrolled bill or resolution and the original copy thereof shall be returned by the Enrolling Clerk to the Clerk of the House who shall present the enrolled bill or resolution to the Governor for his approval and take his receipt for same.

Rule 65. Resolutions. Resolutions having the force and effect of law shall be treated and considered as bills in all respects under these rules. However, simple resolutions expressing the will of the House and all resolutions recommending a study by an interim committee may be considered for adoption after receiving a recommendation from a standing committee and being posted for passage by the Rules Committee. All resolutions recommending a study by an interim committee shall include an approximate cost of the proposed study. All resolutions recommending or requiring a study, or which recommend or create a task force or special committee of the Legislative Research Commission shall be concurrent or joint resolutions.

Rule 66. Legislative Citations. For the purpose of extending the commendations, condolences or congratulations of the General Assembly to a particular person, or to recognize a particular event or occasion, there may be issued a "Legislative Citation." Citations may not be used for procedural matters, matters of a controversial or partisan political nature, nor in place of resolutions memorializing the U.S. Congress, but only when appropriate to express the feeling of the House or of the General Assembly with reference to a person or event.

Each such citation shall be prepared in single copy on an artistically designed form, suitable for framing, shall bear the signature of the sponsor and the name of the person or event cited, and upon adoption shall be spread at length upon the Journal. Citations shall be considered in the order of business "Motions, Petitions and Communications," and without objection shall be adopted en bloc after reading individually by title. Citations shall be offered for consideration through presentation to the Clerk.

A resolution shall not be accepted for introduction if offered in lieu of a legislative citation.

VOTING

Rule 67. Roll Call. Any member, with a second, may demand a roll call on any matter pending before the House. The names of members shall be arranged alphabetically when taking a yea and nay vote.

Any time these rules require a roll-call vote, or a yea and a nay vote of the members, such vote may be taken by either a voice roll call or the electrical voting system, as ordered by the Speaker.

The Speaker, before each roll-call vote is taken, shall instruct the Clerk to sound the warning chimes installed in that part of the Capitol assigned to the use of the House.

During a roll call any one member, with a second, may request and be afforded a delay of two minutes prior to the closing of the roll. Only one such motion shall be observed during any one roll call.

Rule 68. Electrical Voting System. When the House is ready to vote upon any question requiring a roll call, and the vote is to be taken by the electrical roll call system, the Speaker shall announce:

"The question is on the passage of (designating the matter to be voted upon). All in favor of such question shall vote 'yea,' and all opposed shall vote 'nay.' The House roll is now open for voting."

The Speaker shall recognize any member who rises for the purpose of explaining his vote. No member shall be allowed to speak more than three minutes to explain his vote, and shall not speak at all if the question is not a debatable question.

When sufficient time has been allowed the members to vote and to explain their vote, the Speaker shall announce: "Have all voted?" "Does anyone desire to change his vote?" And after sufficient pause shall lock the roll call system and instruct the Clerk to record the vote. It shall be the responsibility of each member to determine the accuracy of his individual vote as registered opposite his name on the electrical roll call board and advise the Speaker of any desired change before the roll call system is locked.

The Clerk shall immediately start the recording equipment, and when completely recorded, shall present the result to the Speaker who shall announce same to the House. The Clerk shall enter upon the Journal the result in the manner provided by the rules of the House.

At the same time the vote is recorded by the electric recording equipment an original and five duplicate roll call sheets shall be made showing the vote, two of which duplicates shall be for use of the press, and one copy shall be furnished to the Legislative Research Commission.

Rule 69. Voting for Others Prohibited. No member shall vote for another member, nor shall any person not a member cast a vote for a member. In addition to such penalties as may be prescribed by law, any member who shall vote or attempt to vote for another member may be punished in such manner as the House may determine. If a person not a member shall vote or attempt to vote for any member he shall be barred from the floor of the House for the remainder of the session and may be further punished in such manner as the House may deem proper, in addition to such punishment as may be prescribed by law.

Rule 70. Pairing. All pairs announced in the House shall be entered on the Journal.

Rule 71. Adjournment Extended During Roll Call. When the roll is being called in taking a yea and nay vote, and the hour of an adjournment arrives, the same shall stand extended until after said yea and nay vote has been completed and the result announced.

PRIVILEGE OF THE FLOOR

Rule 72. Persons Entitled to the Floor. No person shall be permitted upon the floor of the House when in session and two hours before and after the House is in session except the present members of the General Assembly and all officers and employees of the General Assembly. Bona fide newspaper correspondents designated in writing by the daily newspapers or press service they represent, shall be admitted to the floor when recommended by the Committee on Committees and shall be governed by the rules of the House and assigned by the Committee on Committees to a press section specifically set aside for them.

A special section of the gallery shall be reserved for the families and guests of members, who shall be admitted upon presentation of an identification card. Other persons shall be admitted to that part of the galleries not reserved for members' families. Members may submit the names of guests to the Clerk, who shall read the names to the House. Members shall not introduce guests from the floor.

Rule 73. Restriction of lobbying and access to the House Chambers and office areas. No person shall engage in lobbying for or against any measure while the House is in session, or in recess, in any of the corridors or passages or in any of the rooms in that part of the Capitol assigned to the use of the House, and no registered lobbyist shall enter that part of the Capitol while the House is in session. This rule shall not be construed to prohibit the use of the corridors or passages in going to and from the House galleries by any person.

Only authorized persons shall be allowed access to the office areas assigned for use of the members and staff of the House. For the purposes of this paragraph, "authorized person" means a member of the General Assembly, an employee of the General Assembly or Legislative Research Commission, or a person having obtained specific access authorization from such member or employee. For the purposes of this paragraph, "office areas" means the fourth floor of the Capitol.

Rule 74. Restrictions. No article, booklet, pamphlet or any other printed material shall be placed upon the desk of any member unless said article, booklet, pamphlet or other printed matter contains the signature of the author, or the party interested in the distribution thereof is clearly identified. All such articles, booklets, pamphlets or any other printed material shall conform to accepted public taste and shall contain no matter appealing to prurient interest or without redeeming social value. Such documents shall be delivered to the message room and shall upon direction of the Clerk after inspection, be placed in the members' bin. The Sergeant-at-Arms shall be charged with the duty of inspecting such material and seeing that no individual other than employees of the House under the direction of the Clerk or House members shall cause materials of any nature to be distributed in the House Chamber. Questions as to the propriety of such materials shall be referred to the Committee on Committees for resolution. Any material found so distributed by unauthorized individuals shall be collected from the members' desks and treated as litter.

RULES

Rule 75. Mason's Manual. In the absence of a specific rule of the House, *Mason's Manual of Legislative Procedure* shall govern the proceedings, except that in all cases where general parliamentary law provides for a rule of two-thirds, it shall mean in this House a majority of all members elected thereto.

Rule 76. Change of Rules. The rules of the House, after their adoption shall not be altered, changed, amended, suspended or interrupted, unless the same be done by a majority of the members elected to the House. No rule shall be suspended for the purpose of any action affecting the passage of a bill or resolution carrying the force of law unless the rule is suspended by a majority of the members elected to the House and by a roll call vote. Whenever a rule is suspended, no measure shall be considered under suspension except the measure or measures in whose favor the suspension was invoked, and only for that day.

HR 1 was adopted by voice vote.

Representative Stumbo moved the adoption of the following **HR 2**:

HR 2, A RESOLUTION extending an invitation to the pastors of the Frankfort churches to open sessions of the House of Representatives during the 1993 Extraordinary Session with prayer.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant at Arms be directed to invite the pastors of the various churches of Frankfort to attend the meetings of the 1993 Extraordinary Session of the House of Representatives and open the sessions thereof with prayer.

HR 2 was adopted by voice vote.

The Speaker announced that the House stand at ease for a meeting of the Committee on Committees at the Speaker's podium.

The Speaker called the House to order.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bills:

Appropriations and Revenue: **HB 1, HB 2**

Representative Stumbo moved that the rules be suspended to allow the Committee on Appropriations and Revenue to meet to report bills out of Committee with the understanding that the bills will be sent back to the Committee on February 2, 1993. Agreed.

Recess

Representative Stumbo moved that the House recess for ten minutes. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Posting of Bills and Resolutions for Consideration

The Clerk announced that the following Bills have been posted for Committee consideration:

Appropriations and Revenue: **HB 1, HB 2**

Motions, Petitions and Communications

Representative Scorsone moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 4, by Representatives Scorsone and Rasche: A RESOLUTION in honor of and memory of a distinguished Kentuckian, Max Albert Ladt, of Paducah.

Representative Scorsone moved the adoption of the following **HR 4**:

HR 4, A RESOLUTION in honor of and memory of a distinguished Kentuckian, Max Albert Ladt, of Paducah.

WHEREAS, good men must die but death cannot kill them quite; and

WHEREAS, Max Albert Ladt's sudden and untimely death in a small plane crash has put an end to his service to Paducah, Western Kentucky and the Commonwealth as a whole, but the effects of his contribution to the development of the economy, institutions, and people in these areas shall continue on; and

WHEREAS, Max Albert Ladt was pivotal in the founding and co-founding of many corporations in Paducah including the Ladt Engineering Company, Ladt-Marcum-Fuller, PEBCO, and Accutrol; and

WHEREAS, Max Albert Ladt had recently been chief executive officer of both CENERGY and PTC and president of both ATC and Travel, Inc.; and

WHEREAS, as a man of vision, tenacity, and enthusiasm, Max Albert Ladt spent a lifetime actively involved in civic affairs, including the reopening of the air traffic control tower at Barkley Regional Airport; and

WHEREAS, Max Albert Ladt was innovative and successful, and had foresight, drive, and determination, making him a key member of Kentucky's new Long-Term Policy Research Center Board; and

WHEREAS, news of Max Albert Ladt's tragic plane crash has saddened the people of this great Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body expresses its profound grief over the loss of Max Albert Ladt and extends its sympathy to his wife, Elizabeth Carroll Ladt; his three surviving sons, Thomas Tarlton Ladt, Charles Anthony Ladt, and Frederick Crutcher Ladt; and his seven grandchildren.

Section 2. That the Clerk of the House of Representatives is directed to send four copies of this Resolution to Mrs. Elizabeth Carroll Ladt, Minnich Avenue, Paducah, Kentucky 42001.

HR 4 was adopted by voice vote.

Representative Heleringer moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 3, by Representative Heleringer: A RESOLUTION commending Catholic schools and celebrating Catholic Schools Week.

Representative Heleringer moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION commending Catholic schools and celebrating Catholic Schools Week.

WHEREAS, nationwide, there are more than three million students in some 9,700 elementary and secondary schools that will be celebrating "Catholic Schools Week"; and

WHEREAS, the theme of the 1993 observance of "Catholic Schools Week" is "Choose Catholic Schools — the Good News in Education"; and

WHEREAS, during the Week of January 31 - February 6, 1993, Catholic elementary and secondary schools will commemorate the right to freedom of choice guaranteed by the First Amendment and celebrate Catholic Education's contributions to our society; and

WHEREAS, of the three million Catholic students across the nation, 42,000 attend 157 schools in the Commonwealth of Kentucky; and

WHEREAS, Kentucky's Catholic Schools are to be commended for providing the students of our state as well as the nation, with basic moral and spiritual foundations while maintaining educational guidelines set by Kentucky's Department of Education;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body recognizes the invaluable service of Catholic Schools to the youth of Kentucky — our leaders of tomorrow.

Section 2. That the Clerk of the House is directed to transmit a copy of this Resolution to Sister Amelia, Fax. (502) 636-2379.

HR 3 was adopted by voice vote.

The Speaker announced that the House stand at ease.

The Speaker called the House to order.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 1** and **HB 2** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 1, AN ACT relating to the Education Technology Escrow Account.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. 1992 Kentucky Acts Chapter 462, Part IX, Section 7, at page 2050, is amended to read as follows:

DEPARTMENT OF EDUCATION

7. EXECUTIVE POLICY AND MANAGEMENT

- Employment of Personnel: The Department of Education may fill through memoranda of agreement not more than fifty percent (50%) of its existing authorized positions below the Division Director level with individuals employed as school administrators and educators in Kentucky.

- Education Technology Escrow Account: Funds in the Education Technology Escrow Account shall be expended ***as follows*** [~~in the following priority order~~]: 1) Funds in an amount to be determined by the Secretary of the Finance and Administration Cabinet shall be set aside for the installation of the administrative network system that connects each of the 176 local school district administrative offices to appropriate state agencies [~~in fiscal year 1992-93~~]. 2) Funds for administrative purposes shall be limited as follows: up to $40,000 annually may be spent for the expenses of the Council on Education Technology; ***an amount to be determined by the secretary of the Finance and Administration Cabinet to be set aside for technical support and implementation services*** [~~up to $1,000,000 annually may be spent for consultants~~] to define and implement the Kentucky Education Technology System (KETS); up to $70,000 annually may be spent for additional staff for the School Facilities Construction Commission[~~; and no Department of Education or other state agency administrative costs may be obtained from this fund~~]. 3) Up to $2,000,000 may be expended for one (1) state-of-the-art technology demonstration site to be located in a local school district. This site shall be determined through a competitive process and shall contain the components of KETS that are a part of the adopted master plan. The local school district selected through this competitive process shall match the state funds on a one-to-one basis. 4) The balance of funds in the Education Technology Escrow Account shall be distributed to local school districts for installation of the KETS system through the cooperative program established by House Bill 698. Subject to approval of the Secretary of the Finance and Administration Cabinet, approximately one-half of available funds shall be allocated to local school districts in each year of the biennium. 5) All expenditures from the Education Technology Escrow Account shall be reported to the Office of Education Accountability on a monthly basis.

Section 2. To the extent that 1992 Kentucky Acts Chapter 459, the 1992-94 State/Executive Branch Budget Memorandum, is in conflict with Section 1 of this Act, whether at page 1504 in the description of Conference Report action or in any other provision, the conflicting provision of 1992 Kentucky Acts Chapter 459 is superseded by the provision of Section 1 of this Act, which shall control.

HB 2, AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Extraordinary Session of 1993 of the General Assembly, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund, for the payment of salaries and other expenses of the Extraordinary Session of 1993 of the General Assembly, the sum of $29,914 per calendar day during the Extraordinary Session of 1993.

Section 2. That there be appropriated from the General Expenditure Fund to the Legislative Research Commission the sum of $3,000 per calendar day during the Extraordinary Session of 1993.

Section 3. That there be transferred from the Monthly Expenses of Legislators' Account to the Legislative Sessions Fund the amount of $4,416 per calendar day of the Extraordinary Session of 1993 to be used for necessary expenses during such extraordinary session.

Section 4. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $15,000 to pay for the cost of printing and binding the Acts and Journals of the Extraordinary Session of 1993.

Section 5. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $43,000 to pay the cost of legislators' travel and stationery allowances for the Extraordinary Session of 1993.

Section 6. Whereas, the General Assembly is now in session, and it is necessary that funds be made available immediately, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor, and shall be retroactive to include all calendar days of the Extraordinary Session of 1993, beginning February 1, 1993.

Representative French moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 5, by Representative French: A RESOLUTION adjourning the House of Representatives in honor of Monty Roberts.

Representative French moved the adoption of the following **HR 5**:

HR 5, A RESOLUTION adjourning the House of Representatives in honor of Monty Roberts.

WHEREAS, Monty Roberts was born on February 15, 1941, a native of Warsaw, Gallatin County, Kentucky; and

WHEREAS, Monty Roberts is the loving husband of Ruby Roberts; and

WHEREAS, Monty Roberts has been actively involved with the Boy Scouts of America and past chairman of the Boy Scouts Honor Corps of Northern Kentucky; and

WHEREAS, Boy Scouts of America have been providing quality youth leadership since 1910; and

WHEREAS, Boy Scouts of America have always sponsored programs for youth involving personal fitness, ethics, and patriotism; and

WHEREAS, current Boy Scout programs foster drug awareness and concern for the disadvantaged through food collection programs, and every scout is required to participate in civic service programs for advancement in rank; and

WHEREAS, none of these programs could be brought to the Youth of America without the wholehearted cooperation and participation of talented adults such as Monty Roberts; and

WHEREAS, Monty Roberts has been involved in many civic organizations and has been an inspiration to all who know and admire him;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Monty Roberts has demonstrated strong character and is an element of invincible strength to all the lives he has touched.

Section 2. That the House of Representatives hails and commends Monty Roberts for the years of dedicated service he has contributed to the youth of America, particularly through his work with the Boy Scouts of America.

Section 3. That when the House of Representatives adjourns this day, February 1, 1993, it does so in loving honor of Monty Roberts.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Monty Roberts, P. O. Box 637, Warsaw, Kentucky 40195.

HR 5 was adopted by voice vote.

Announcements

The following meetings were announced:

Majority Caucus, 1:00 p.m., Room 149, February 1, 1993.

State Government, 9:00 a.m., Room 149, February 2, 1993.

Appropriations and Revenue, 2:30 p.m., Room 149, February 1, 1993.

Parliamentary Procedure Workshop, 2:00 p.m., Room 125, February 2, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Tuesday, February 2, 1993.

On the roll call the vote was yeas 87—Ackerson, Adams, Adkins, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Brown, Bruce, Bryant, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Heleringer, Hourigan, Jensen, Johnson, Kerr, Lear, Lee, Lewis, Lindsay, Little, Long, Lyne, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Scorsone, Sheehan, B. Smith, T Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Wayne, Worthington, Yates, Zimmerman. Nays 7—Bowling, Deskins, Hatcher, Heleringer, LeMaster, Lile, Maggard.

The motion to adjourn was adopted.

TUESDAY, FEBRUARY 2, 1993

SECOND LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Charles Ellestad, Church of the Ascension, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Donnermeyer, Heleringer, Keith, Ridley and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 1, 1993 be dispensed with and the same approved. Agreed.

Representative Wayne moved that the rules be suspended to allow floor privileges to the St. Xavier High School football team and to introduce and act upon a Resolution. Agreed.

HR 6, by Representative Wayne: A RESOLUTION adjourning in honor of the St. Xavier Tigers football team for winning the Class 4-A State Football Championship.

Representative Wayne moved the adoption of the following **HR 6**:

HR 6, A RESOLUTION adjourning in honor of the St. Xavier Tigers football team for winning the Class 4-A State Football Championship.

WHEREAS, it was a defensive struggle that was decided with 8:21 left in the game when Will Fishback booted a thirty yard field goal, his eighth of the season; and

WHEREAS, the championship was not secure until the Tigers stopped Boone County on fourth and two on the St. X 41 with 3:17 left in the contest; and

WHEREAS, this hard fought win was the tenth straight and second title for Mike Glaser as the Tigers' head coach; and

WHEREAS, the St. X Tigers finished their season with fourteen wins and one loss to claim their seventh state playoff crown overall; and

WHEREAS, Coach Glaser played on the 1969 championship team and coached on five others prior to this year's win;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby congratulate Coach Mike Glaser and his state championship Tigers football team for claiming the Class AAAA title.

Section 2. That the House of Represenatives applauds the teamwork and support displayed by the Tigers and assistant coaches Terry Bean, Tony Scheler, Jim Wagoner, Bob Beck, James Just, Dennis Scott and Lonnie Oldham; freshman staff Rick Sorrels, Todd Dutton, Mike Johnson, Dave Butler, Jr., Todd Walsh and Rob Willman; student trainers Paul Buttes, Andy Hellmann, Dan McDonald, Keith Baisch, John Orthober, Kenny White, Mike Gandolfo and Bob Hamilton; and student managers Marc Hildenbrand, Truitt Underwood, James Underwood, Thomas Witt and Kenny Goetz.

Section 3. That the Clerk of the House of Represenatives is directed to transmit twenty-seven copies of this Resolution to Coach Mike Glaser, St. Xavier High School, 1609 Poplar Level Road, Louisville, Kentucky 40217.

HR 6 was adopted by voice vote.

Representative Wayne moved that a call of the roll be taken to show co-sponsors of **HR 6**. Agreed.

On the roll call the vote was yeas 92—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jense, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Calendar

HB 1 and **HB 2** taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended for a report of the Committee on Rules. Agreed.

Report of Committees

The Committee on Rules reported that the following Bills have been recommitted:

Appropriations and Revenue: **HB 1**, **HB 2**

Announcements

The following meetings were announced:

State Government, 10:30 a.m. or upon adjournment, Room 149, February 2, 1993.

Parliamentary Procedure Workshop, 2:00 p.m., Room 125, February 2, 1993.

Appropriations and Revenue, 10:30 a.m., Wednesday, February 3, 1993.

Labor and Industry, 1:00 p.m., Room 131, February 2, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 2:00 p.m., Wednesday, February 3, 1993.

On the roll call the vote was yeas 79—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bryant, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hourigan, Jensen, Johnson, Kerr, Lee, Lewis, Little, Long, Lyne, Mason, McElroy, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riner, Sanders, Scorsone, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 8—Buis, Hancock, Hatcher, LeMaster, Lile, Lindsay, Maggard, T. Smith.

The motion to adjourn was adopted.

WEDNESDAY, FEBRUARY 3, 1993

THIRD LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Father William Spaulding, Saints Peter and Paul Catholic Church, Danville.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Donnermeyer, Gedling, Heleringer, Keith, Little, Ridley and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 2, 1993 be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HCR 7, by Representatives Geveden, Rasche, Curd, Nesler, Lewis: A CONCURRENT RESOLUTION urging the Transportation Cabinet to name the bridge in McCracken County on Interstate 24 over the Ohio River the "Henry Ward Bridge."

HR 8, by Representatives Turner, Hourigan, J. Harper, Farley, Buis, Napier, Jensen, Nelson, Lyne, Reinhardt, Cave, French, Sanders, Bruce, Lee, Bryant, Allen, Nunn, Gee, Altman, Walton: A RESOLUTION opposing gays serving in the United States Armed Forces.

HR 9, by Representative Farrow: A RESOLUTION in honor of Charles Tribble.

HR 10, by Representative Lile: A RESOLUTION in loving memory and honor of Plenge Neb Rosenberger.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 2** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report of Committees

The Committee on Rules reported that **HB 2** has been posted for passage in the Orders of the Day for February 4, 1993.

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended for the introduction of guests. Agreed.

Representative Mullins moved that the rules be suspended to allow floor privileges to Raymond Overstreet, a former legislator. Agreed.

Representative Farrow moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Farrow moved the adoption of the following **HR 9**:

HR 9, A RESOLUTION in honor of Charles Tribble.

In life we shall find many men that are great, and some men that are good, but very few men that are both great and good.

WHEREAS, Charles Tribble has provided outstanding leadership and contributed a great deal to the enhancement of the quality of life in his community; and

WHEREAS, Charles Tribble is a retired elementary school principal and his accomplishments as an educator exemplify his professionalism in the classroom; and

WHEREAS, Charles Tribble is a prominent Harrison County farmer and staunch advocate of agricultural and environmental issues and has been honored as Outstanding Lay Leader in Kentucky by the Kentucky Agriculture Agents Association and also honored with the Environmental Quality Commission's Award for Commitment to Kentucky's Environment; and

WHEREAS, Charles Tribble reached beyond his community in coordinating relief efforts in flooded regions of eastern Kentucky and hurricane-damaged areas in South Carolina; and

WHEREAS, Charles Tribble is a past president of the Harrison County Farm Bureau, past treasurer of the local conservation district, and is currently serving as president of the Cynthiana Rotary Club; and

WHEREAS, due to his contributions to better rural-urban understanding and his genius in communications skills, Charles Tribble is the recipient of the sixth annual Kentucky Farm Bureau Farm Public Relations Award; and

WHEREAS, his media topics have included environmental awareness, remembrances of World War II, and agricultural activities he experienced during visits to all 50 states and 28 foreign countries; and

WHEREAS, Charles Tribble is an inspiration to his peers, associates, family, friends, and all of those who have been associated with him;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives commends Charles Tribble for his many accomplishments throughout the years.

Section 2. That the House of Representatives congratulates Charles Tribble in being the recipient of the sixth annual Kentucky Farm Bureau Farm Public Relations Award.

Section 3. That the House of Representatives wishes good fortune to Charles Tribble in all his future endeavors.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Charles Tribble, Route 4, Box 240, Cynthiana, Kentucky 41031.

HR 9 was adopted by voice vote.

Representative Lile moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Lile moved the adoption of the following **HR 10**:

HR 10, A RESOLUTION in loving memory and honor of Plenge Neb Rosenberger.

With deepest respect, we pay homage and tribute to Plenge Neb Rosenberger.

WHEREAS, Plenge Neb Rosenberger was born on December 31, 1920, in Louisville, Kentucky, and traversed these earthly bounds on January 20, 1993; and

WHEREAS, Plenge Neb Rosenberger was the loving son of Martin P. Rosenberger and Addie Plenge Rosenberger who preceded him in death; and

WHEREAS, Plenge Neb Rosenberger was a retired farmer, past master of Valley Masonic Lodge 511, a member of Scottish Rite Temple, and of New Salem Baptist Church; and

WHEREAS, Plenge Neb Rosenberger served on the boards of Jefferson County Farm Bureau, American Mutual Insurance Company and South Jefferson Cemetery; and

WHEREAS, Plenge Neb Rosenberger was the devoted husband of Bunny Doerhoefer Rosenberger and the loving father to two daughters, Donna Wilson of New Albany, Indiana, and Jackie Cornette; four sons, Dennis Kolb of Lawton, Oklahoma, Doug Kolb, and Martin and Richard P. Rosenberger, and loving grandfather to six grandchildren and two great-grandchildren; and

WHEREAS, the passing of Plenge Neb Rosenberger has left a void that will be difficult to fill and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby express its utter sense of bereavement and loss upon the passing of Plenge Neb Rosenberger and extends its sincere condolences to his family.

Section 2. That when the House of Representatives adjourns this day, February 3, 1993, it does so in loving memory and honor of Plenge Neb Rosenberger.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mrs. Bunny Rosenberger, 6618 Bethany Lane, Louisville, Kentucky 40272.

HR 10 was adopted by voice vote.

Representative Turner moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Turner moved the adoption of **HR 8**.

Representative Rapier inquired if **HR 8** had gone to committee and had been posted in accordance with House Rule 65.

The Speaker ruled that the motion to adopt **HR 8** was out of order.

Representative Mason moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Mason moved the adoption of the following Legislative Citation No. 1. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors ELSIE M. LADD for the extraordinary characteristics that have been repeatedly admired; and has exhibiting a sterling soul which has molded her life around the holy sanctity of the church and the rearing of her eight children. Nothing in this world is treasured as the outstanding merits of a caring mother. For in as much as Elsie M. Ladd is celebrating her ninetieth year in this life; this prestigious body would like to join her loving family and dedicated members of the Freewill Baptist Church in the rejoicing of this unusual, caring lady.

Announcements

The following meetings were announced:

Committee Chairs upon adjournment, February 3, 1993.

Committee on Education, 2:00 p.m., February 4, 1993.

Committee on Health and Welfare, 10:00 a.m., Room 125, February 4, 1993.

Subcommittee on Education cancelled.

Adjournment

Representative Stumbo moved that the House adjourn until 1:00 p.m., Thursday, February 4, 1993.

On the roll call the vote was yeas 77—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Cyrus, Damron, DeWeese, Farley, Farrow, Ford, Fox, French, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hourigan, Jensen, Johnson, Kerr, Lee, Lewis, Lindsay, Long, Lyne, Mason, McElroy, Moberly, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 5—Buis, Hancock, LeMaster, Lile, T. Smith.

The motion to adjourn was adopted.

THURSDAY, FEBRUARY 4, 1993

FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend R. Z. Miller, Spirit of Peace Missionary Baptist Church, Louisville.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Donnermeyer, Heleringer, Ridley and Riggs.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 3, 1993 be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HCR 11, by Representatives Lear and Morris: A CONCURRENT RESOLUTION directing the Legislative Research Commission to appoint a task force to develop recommendations for a code of ethics for local governments.

HR 12, by Representative Coleman: A RESOLUTION in honor and memory of F. W. "Bill" Kephart.

HR 13, by Representatives Hatcher, Gray and Crenshaw: A RESOLUTION to honor and memorialize the late Supreme Court Justice Thurgood Marshall.

HR 14, by Representative Bowling: A RESOLUTION honoring Jason Howard of Pineville, Kentucky.

HR 15, by Representatives J. Harper and Ward: A RESOLUTION honoring the creation of a tartan for the Commonwealth of Kentucky.

HR 16, by Representatives Fox and Bowling: A RESOLUTION honoring the Harlan Daily Enterprise for general excellence.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Committees in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Reference of Resolutions

The Clerk reported that the Committee on Committees has referred the following Resolutions:

Health and Welfare: **HR 8**

State Government: **HCR 11**

Transportation: **HCR 7**

Orders of the Day

HB 2 taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Long moved that **HB 2** be passed.

On the roll call the vote was: Yeas 92, Nays 0. (See February 4, 1993 roll call on **HB 2** - Appendix.)

HB 2 was passed and the title agreed to.

Representative Long moved that the vote by which **HB 2** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Stumbo announced that all Resolutions of substantive nature will be referred to the standing committee of appropriate jurisdiction. Resolutions honoring individuals will still be handled under a Rules Suspenion in the Motion, Petition and Communications hour.

Motions, Petitions and Communications

The Speaker moved that the rules be suspended to act upon Resolutions. Agreed.

Representative J. Harper moved the adoption of the following **HR 15**:

HR 15, A RESOLUTION honoring the creation of a tartan for the Commonwealth of Kentucky.

WHEREAS, a tartan is a plaid design for the weaving of cloth consisting of perpendicular bands of specific thread counts on a solid background; and

WHEREAS, different tartans are associated with specific Scottish and Irish clans; and

WHEREAS, there is no tartan designated for the Commonwealth of Kentucky; and

WHEREAS, the creation of a Kentucky tartan could have dramatic impact on Kentucky's efforts in manufacturing, tourism, advertising, and promotion; and

WHEREAS, Jim Cubbage, the Kentucky Commissioner for the Clan Campbell Society of North America; Barry Plain, the Kentucky Commissioner for the Clan Ross Society; and Ronald E. Frazier, the Kentucky Convener for the Clan Fraser Society of North America, have labored tirelessly and selflessly with noble purpose to create a tartan for the Commonwealth; and

WHEREAS, their grand design with a thread count of 2 white, 12 lovat green, 2 red, 8 gray, 2 lovat green, 8 brown, 2 lovat green, 8 dark blue, 2 gold, 12 lovat green, and 2 black is the product of carefully crafted symbolism that reflects the rich heritage of our great Commonwealth; and

WHEREAS, when their tartan is accepted, it will be recorded in Scotland as a "District" tartan; and

WHEREAS, if Kentucky officially adopts the tartan, it will be only the seventh state tartan and will be joined by other tartans representing the American bicentennial and the four military branches;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed institution commends Jim Cubbage, Barry Plain and Ronald E. Frazier for their talent, civic-mindedness, and dedication to their communities and the Commonwealth of Kentucky.

Section 2. That the House of Representatives embraces the tartan as a work of great significance and enduring quality.

Section 3. That the Clerk of the House of Representatives is directed to transmit three copies of this Resolution to Mr. Ron Frazier, 1887 Ivanhoe Court, Louisville, Kentucky 40205.

HR 15 was adopted by voice vote.

Representative Bowling moved the adoption of the following **HR 14**:

HR 14, A RESOLUTION honoring Jason Howard of Pineville, Kentucky.

WHEREAS, the diligent Jason Howard knows no dream you treasure is too far away or too high if you work, try, and do; and

WHEREAS, this outstanding sixth grader at Lone Jack Elementary School has won, at the age of eleven, both the Kentucky Education Association Spelling Bee for Bell County and the Courier-Journal Spelling Bee for Bell County; and

WHEREAS, striving forward, Jason Howard is now practicing for the Courier-Journal's advanced competition which includes nearly eighty contestants; and

WHEREAS, Jason Howard's other interests include reading and computers, but foremost is collecting baseball cards; and

WHEREAS, though a student of the elementary school, Jason Howard is a participating member of Bell County Middle School's Academic Team and its Science Olympia; and

WHEREAS, this exemplary representative of the Commonwealth undoubtedly, will retain and build upon his excellence, for learning in one's youth is like engraving in stone;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives is extremely honored to commend Jason Howard on his diligent spelling practice and upon winning both Bell County's KEA Spelling Bee and its Courier-Journal Spelling Bee.

Section 2. That the members of this esteemed body commend Jason Howard on his overall academic excellence.

Section 3. That this honorable body joins with Jason's parents in their justifiable pride in the accomplishments of this exemplary representative of the youth of the Commonwealth.

Section 4. That the Clerk of the House is directed to send two copies of this resolution to Jason Howard, 229 Dorton Branch, Pineville, Kentucky 40977.

HR 14 was adopted by voice vote.

Representative Hatcher moved the adoption of the following **HR 13**:

HR 13, A RESOLUTION to honor and memorialize the late Supreme Court Justice Thurgood Marshall.

WHEREAS, Thurgood Marshall graduated first in his 1933 law school class at Howard University; and

WHEREAS, during his years as a practicing attorney, Thurgood Marshall, at great personal risk, travelled throughout the South speaking against racism in all its forms from lynching to segregated housing; and

WHEREAS, in 1939, Thurgood Marshall was appointed chief counsel of the NAACP and began to win court victory after court victory against racism; and

WHEREAS, his greatest triumph as chief counsel came in 1954 when he successfully argued before the Supreme Court in ***Brown v. Board of Education*** that "separate but equal" schools are unconstitutional; and

WHEREAS, Thurgood Marshall served as a Federal appeals court judge from 1961 to 1965 and as the Solicitor General of the United States in 1966; and

WHEREAS, in 1967, Thurgood Marshall became the first African-American Supreme Court Justice and carried out his duties with distinction for twenty-four (24) years, championing the words carved above the entrance to the Supreme Court: "EQUAL JUSTICE UNDER LAW;" and

WHEREAS, on January 24, 1993, Supreme Court Justice Thurgood Marshall departed this world for eternity, having done as much as any person in the twentieth century to help all American citizens realize the true American dream;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed body does hereby express its profound sense of loss upon the passing of Supreme Court Justice Thurgood Marshall and extends to his family its heartfelt sympathy.

Section 2. That when the House adjourns this day, it does so in honor and memory of Supreme Court Justice Thurgood Marshall.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Supreme Court Justice Thurgood Marshall's beloved wife, Mrs. Cecilia Suyat Marshall, United States Supreme Court Building, 1 First Street NE, Washington, D.C. 20543.

HR 13 was adopted by voice vote.

Representative Little moved that the rules be suspended to waive the one day posting period on **HCR 7**. Agreed.

Representative Burch moved that the rules be suspended to grant floor privileges to a former legislator. Agreed.

Representative Coleman moved the adoption of the following **HR 12**:

HR 12, A RESOLUTION in honor and memory of F. W. "Bill" Kephart.

WHEREAS, though rivers are roads which move and carry us whither we desire to go, Captain Bill Kephart always ably commanded Shakertown's Dixie Belle through the Kentucky River - his longtime friend; and

WHEREAS, Bill Kephart was a prominent figure before the Kentucky River Task Force, promoting the river's preservation; and

WHEREAS, Bill Kephart was a man of many hats: manager of River Operations and Special Projects for Shaker Village at Pleasant Hill from 1981 to 1982; and

WHEREAS, most recently he was employed at Aging Technology in Lexington, Kentucky; and

WHEREAS, this distinguished Kentucky gentleman had also served on the Ragged Edge Theatre Board of Directors and as vice-president of the Harrodsburg Historical Society;

WHEREAS, all who knew and admired Bill Kephart will grieve over their loss, and he is mourned across the length of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its profound grief over the loss of this valued friend and extends it sympathy to Bill Kephart's wife, Star Kephart; his mother Marie Bost Kephart; his daughter, Katie Lay; his two sons, Stephen Kephart and Joseph Kephart; his sister, and his six grandchildren.

Section 2. That the Clerk of the House is directed to transmit copies of this Resolution to Mrs. Star Kephart, Chatham Lane, Harrodsburg, Kentucky 40330.

HR 12 was adopted by voice vote.

Floor Amendment

Floor Amendment No. 1 to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1** on page 1, line 13, after the word "***follows:***" by adding the following new language:

"***(1) Administrative network support system that connects each of the 176 local school districts for financial accounting and electronic mail. Software and implementation to be provided by a single source and project manager to select the hardware standards.***

1992-93	***1993-94***
$ - 0 -	***$15,000,000***

(2) Education technology program established by House Bill 698. Local school districts may use up to ten percent (10%) for local personnel training. Local school boards receiving state school funds for the education technology program established by House Bill 698 shall not be permitted to anticipate funding beyond the amount of the offer of assistance granted in the 1992-94 biennium. This amount shall serve as the basis for approval of any proposed technology financing plan approved by the Department of Education and the Commissioner of Education

$20,000,000 ***$20,000,000***

(3) State of the art technology demonstration site to be located in a local school district.

$ 1,500,000 ***$ - 0 -***

(4) Funds for administrative expenses of the Council on Education Technology.

$ 40,000 ***$ 40,000***

(5) Funds for additional staff for the School Facilities Construction Commission.

$ 70,000 ***$ 70,000***

(6) Funds for the Finance and Administration Cabinet to evaluate and monitor the implementation of education technology master plan.

$ $40,000 $ 100,000

(7) Funds for the Legislative Research Commission to contract with consultants to evaluate and monitor the development of the education technology master plan and to review expenditures as to their appropriateness. The first report to be submitted to the Legislative Research Commission by July 1, 1993, and the second report by December 31, 1993.

$ 40,000 $ 40,000

(8) State level technical assistance. Emphasis to be given to local district plan development with current hardware and software integration, state master plan modification, and professional development and training, and software selection support.

$5,000,000 $3,000,000

TOTAL $26,690,000 $38,250,000

Monies from the Education Technology Escrow Account shall not be expended or committed beyond the above listed amounts. Any unexpended funds in FY 1992-93 may be carried forward to FY 1993-94 and may be expended for the same purpose."; and

On page 1, line 13, after the word "***follows:***" by deleting the remainder of that line; and

On page 1, by deleting lines 14 through 20; and

On page 2, by deleting lines 1 through 26; and

On page 3, by deleting lines 1 and 2.

Motions, Petitions and Communications (continued)

Representative Nesler moved that the rules be suspended to introduce guests. Agreed.

Representative Stumbo moved that the rules be suspended to waive the one day posting period on **HCR 11**. Agreed.

Announcements

Representative Stumbo announced the tentative schedule for convening the House of Representatives at 4:00 p.m., Monday, February 8, 1993.

The following meetings were announced:

Budget Subcommittee, Room 113, upon adjournment, February 4, 1993.

Committee on Transportation, Speaker's office, upon adjournment, February 4, 1993.

Committee on Education, 2:00 p.m., February 4, 1993.

Appropriations and Revenue, 8:30 a.m., February 5, 1993.

Jefferson County Caucus, 9:30 a.m., Room 125, February 5, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 11:00 a.m., Friday, February 5, 1993.

On the roll call the vote was yeas 83—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Bentley, Blandford, Brown, Bryant, Buis, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, Lewis, Lindsay, Little, Long, Lyne, Mason, McElroy, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Pearman, Rapier, Rasche, Reinhardt, Richards, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Todd, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 7—Bowling, Deskins, Hancock, LeMaster, Lile, Maggard, T. Smith.

The motion to adjourn was adopted.

FRIDAY, FEBRUARY 5, 1993

FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend K. L. Moore, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Blandford, Deskins, Little, Lyne, Ridley, R. Smith and T. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 4, 1993 be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **SB 7**. (Time: 11:05 a.m.)

Introduction of Resolutions

HR 17, by Representatives Gray, Crenshaw and Hatcher: A RESOLUTION recognizing, honoring, and celebrating Black History Month.

HR 18, by Representatives Gray, L. Clark, Shacklette, Burch, DeWeese, Riner, Ward, Lile, Stengel, P. Clark, Hatcher, Wayne, Butler, Northup, Ackerson and Yates: A RESOLUTION honoring the outstanding efforts of Lt. Governor and Economic Development Secretary Paul Patton, Governor Brereton Jones, Richard Stonsifer, President of GE Appliances, Norman Mitchell, President of the International Union of Electronic Workers (IUE), Jerry Abramson, Mayor of Louisville, Dave Armstrong, Judge-Executive of Jefferson County, and others who worked diligently to preserve 1,300 to 1,500 essential jobs in the Commonwealth of Kentucky.

HR 19, by Representative Geveden: A RESOLUTION adjourning in memory of Judge Woodard C. Tipton, Jr.

Representative Stumbo moved that the House stand at ease for a Committee on Committee's meeting in the Speaker's office. Agreed.

The Speaker called the House to order.

Representative Stumbo moved that the rules be suspended for a report of the Committee on Committee's. Agreed.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill:

State Government: **SB 7**

Representative Stumbo moved that the rules be suspended to allow the Committee on State Government to meet to consider **HCR 11** and report **SB 7** out of Committee for a first reading with the understanding that **SB 7** will be sent back to the Committee on February 8, 1993. Agreed.

Recess

Representative Stumbo moved that the House recess for fifteen minutes for a meeting of the Committee on State Government. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report of Committees

The Committee on Appropriations and Revenue reported **HB 1**, with Title Amendment and Committee Substitute attached thereto, with the expression of opinion that the same should pass. Referred to the Committee on Rules.

The Committee Title Amendment to **HB 1** is as follows:

Amend printed copy of **HB 1** by amending the title to read: "AN ACT relating to the Education Technology Escrow Account and declaring an emergency."

The Committee Substitute to **HB 1** is as follows:

HB 1, AN ACT relating to the Education Technology Escrow Account.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. 1992 Kentucky Acts Chapter 462, Part IX, Section 7, at page 2050, is amended to read as follows:

DEPARTMENT OF EDUCATION

7. EXECUTIVE POLICY AND MANAGEMENT

- Employment of Personnel: The Department of Education may fill through memoranda of agreement not more than fifty percent (50%) of its existing authorized positions below the Division Director level with individuals employed as school administrators and educators in Kentucky.

- Education Technology Escrow Account: Funds in the Education Technology Escrow Account shall be expended ***as follows:*** [~~in the following priority order: 1)~~] Funds in an amount to be determined by the Secretary of the Finance and Administration Cabinet shall be set aside for the installation of the administrative network system that connects each of the 176 local school district administrative offices to appropriate state agencies. [~~in fiscal year 1992-93. 2)~~] Funds for administrative purposes shall be limited as follows: up to $40,000 annually may be spent for the expenses of the Council on Education Technology.[~~;~~] Up to ***$12,000,000 in total for the remainder of the current biennium may be spent for technical support and implementation services for consultants*** [~~$1,000,000 annually may be spent for consultants~~] to define and implement ***both the administrative and nonadministrative components of*** the Kentucky Education Technology System (KETS)***, provided that of this sum of up to $12,000,000:***

(1) A portion of the amount so expended shall be used by the Department of Education with the approval of the Secretary of the Finance and Administration Cabinet to provide consulting services for local school districts from an independent consultant that is neither the project manager nor a vendor who may provide hardware or software for Kentucky Education Technology System. The consultant will be available to local school districts to provide assistance in making technology purchasing decisions;

(2) An appropriate portion of the amount so expended, to be determined by the Secretary of Finance and Administration Cabinet after consultation with and recommendation of the Department of Education, shall be used to meet the professional training needs of teachers in using technology as a tool to achieve the valued outcomes for all students and to assist in meeting school and district assessment thresholds; and

(3) Any contract with any entity for the purpose of providing technical support and implementation services shall include specific completion deadlines for the various projects and subprojects. In addition, the contract shall include appropriate penalties for failure by the contractor to meet completion deadlines.

Up to $900,000 for the remainder of the current biennium may be spent for technical support and implementation services performed by the Department of Education to define and implement the nonadministrative component of the Kentucky Education Technology system. Up to $150,000 may be spent by the Office of Education Accountability to contract with consultants to evaluate and monitor the development and implementation of the Kentucky Education Technology System, including compliance with specified tasks and price and penalty provisions, and to review expenditures authorized by the Secretary of the Finance and Administration Cabinet related to the technical support and implementation services for the Kentucky Education Technology System as to their appropriateness; the Office of Education Accountability shall report the findings of the consultants on a monthly basis to the Interim Joint Committee on Appropriations and Revenue. [~~;~~] Up to $70,000 annually may be spent for additional staff for the School Facilities Construction Commission. [~~; and no Department of Education or other state agency administrative costs may be obtained from this fund. 3)~~] Up to $2,000,000 may be expended for one (1) state-of-the-art technology demonstration site to be located in a local school district. This site shall be determined through a competitive process and shall contain the components of KETS that are a part of the adopted master plan. The local school district selected through this competitive process shall match the state funds on a one-to-one basis. [~~4)~~] The balance of funds in the Education Technology Escrow Account shall be distributed to local school districts for installation of the KETS system through the cooperative program established by House Bill 698. Subject to approval of the Secretary of the Finance and Administration Cabinet, approximately one-half of available funds shall be allocated to local school districts in each year of the biennium. [~~5)~~] All expenditures from the Education Technology Escrow Account shall be reported to the Office of Education Accountability on a monthly basis.

Section 2. To the extent that 1992 Kentucky Acts Chapter 459, the 1992-94 State/Executive Branch Budget Memorandum, is in conflict with Section 1 of this Act, whether at page 1504 in the description of Conference Report action or in any other provision, the conflicting provision of 1992 Kentucky Acts Chapter 459 is superseded by the provision of Section 1 of this Act, which shall control.

Section 3. Whereas it is essential that the development of the Kentucky Education Technology System be expeditiously effectuated, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

The Committee on Transportation reported **HCR 7** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HCR 7, A CONCURRENT RESOLUTION urging the Transportation Cabinet to name the bridge in McCracken County on Interstate 24 over the Ohio River the "Henry Ward Bridge."

WHEREAS, Henry Ward of McCracken County has been a dedicated public servant who selflessly devoted his time and energy into improving the quality of life for the citizens of Western Kentucky and the entire Commonwealth; and

WHEREAS, Henry Ward's public life began in the 1930's when, as a young man, he worked as a reporter for the Paducah Sun Democrat and championed the fight to allow TVA to provide inexpensive electricity to rural Kentucky which led to the development of the Calvert City complex and uranium enrichment plant in McCracken County; and

WHEREAS, from 1934 through 1943 Henry Ward served as State Representative from McCracken County; and

WHEREAS, after running for Lieutenant Governor in 1943, Henry Ward continued his political career in 1945 when he was elected State Senator; and

WHEREAS, Henry Ward was appointed Kentucky Commissioner of Conservation in 1949, a post he held until 1956; and

WHEREAS, while serving as State Senator and later as the Commissioner of Conservation, Henry Ward fostered the early development of the state's resort park system, and is considered the "father" of the Kentucky's State Park System; and

WHEREAS, in 1960 Governor Bert Combs appointed Henry Ward Kentucky Highway Commissioner, and, recognizing his knowledge and expertise, Governor Ned Breathitt re-appointed Henry Ward to oversee Kentucky's highways; and

WHEREAS, after running for Governor in 1967, Henry Ward returned to Western Kentucky to become publisher of the Paducah Sun Democrat; and

WHEREAS, between 1969 and 1974, Henry Ward was President of the Kentucky Independent College Fund; and

WHEREAS, because of his lifelong contributions and especially his years of service as Highway Commissioner, it is a fitting tribute to Henry Ward to name the bridge in McCracken County on Interstate 24 that spans the Ohio River the "Henry Ward Bridge"; and

WHEREAS, in the words of Bill Bartleman, reporter for the Paducah Sun, "bridges symbolize accomplishment, progress, cooperation, insight, strength, wisdom, ingenuity, foresight, beauty, and longevity"; and

WHEREAS, these same words could be used to describe Henry Ward and the impact his work has had, and continues to have, on Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Secretary of the Transportation Cabinet is urged to name the bridge in McCracken County on Interstate 24 over the Ohio River the "Henry Ward Bridge."

Section 2. That copies of this Resolution be delivered to the Secretary of the Transportation Cabinet, the Governor, and the Chief District Engineer of the District 1 Highway Office.

The Committee on State Government reported **SB 7** and **HCR 11** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 7, AN ACT relating to state government, making an appropriation therefor, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The proper operation of democratic government requires that a public official be independent and impartial; that government policy and decisions be made through the established processes of government; that a public official not use public office to obtain private benefits; that a public official avoid action which creates the appearance of using public office to obtain a benefit; and that the public have confidence in the integrity of its government and public officials.

Section 2. KRS 6.750 is amended to read as follows:

As used in ***Sections 1 to 44 of this Act*** [~~KRS 6.755 to 6.825~~], unless the context requires otherwise:

(1) (a) "Anything of value" includes the following:

1. A pecuniary item, including money, or a bank bill or note;

2. A promissory note, bill of exchange, order, draft, warrant, check, or bond given for the payment of money;

3. A contract, agreement, promise, or other obligation for an advance, conveyance, forgiveness of indebtedness, deposit, distribution, loan, payment, gift, pledge, or transfer of money;

4. A stock, bond, note, or other investment interest in an entity;

5. A receipt given for the payment of money or other property;

6. A right in action;

7. A gift, tangible good, chattel, or an interest in a gift, tangible good, or chattel;

8. A loan or forgiveness of indebtedness;

9. A work of art, antique, or collectible;

10. An automobile or other means of personal transportation;

11. Real property or an interest in real property, including title to realty, a fee simple or partial interest, present or future, contingent or vested within realty, a leasehold interest, or other beneficial interest in realty;

12. An honorarium or compensation for services;

13. A rebate or discount in the price of anything of value unless the rebate or discount is made in the ordinary course of business to a member of the public without regard to that person's status as a legislator, or the sale or trade of something for reasonable compensation that would ordinarily not be available to a member of the public; or

14. A promise or offer of employment;

15. Any other thing of value that is pecuniary or compensatory in value to a person.

(b) "Anything of value" does not include:

1. A campaign contribution properly received and reported, if reportable, as required under KRS Chapter 121 or 121A;

2. A usual and customary commercial loan made in the ordinary course of business, without regard to the recipient's status as a legislator, and by a person or institution authorized by law to engage in the business of making loans;

3. A certificate, plaque, or commemorative token of less than one hundred fifty dollars ($150) value;

4. Informational or promotional items;

5. Educational items;

6. Food and beverages consumed on the premises;

7. Costs of attendance at events sponsored by or in conjunction with civic, governmental, community, or charitable organizations;

8. Gifts from a person related by blood or marriage or a member of the legislator's household; or

9. A gift that:

a. Is not used; and

b. No later than thirty (30) days after receipt, is returned to the donor or delivered to a charitable organization and is not claimed as a charitable contribution for federal income tax purposes;

(2) "Associated," if used with reference to an organization, includes an organization in which an individual or a member of the individual's family is a director, officer, fiduciary, trustee, agent, or partner, or owns or controls, in the aggregate, an interest of ten thousand dollars ($10,000) or more, or an interest of five percent (5%) or more of the outstanding equity;

(3) "Business associate" includes the following:

(a) An employer;

(b) A general or limited partnership, or a general or limited partner within the partnership;

(c) A corporation that is family-owned or in which all shares of stock are closely-held, and the shareholders, owners, and officers of such a corporation;

(d) A corporation in which the legislator or other person subject to Sections 1 to 44 of this Act has an investment interest, owns, or has a beneficial interest in shares of stock which constitute more than:

1. Five percent (5%) of the value of the corporation, or

2. Ten thousand dollars ($10,000) at fair market value;

(e) A corporation, business association, or other business entity in which the legislator or other person subject to Sections 1 to 44 of this Act serves as an agent or a compensated representative; and

(f) An association not otherwise covered by this definition between the legislator or other person subject to Sections 1 to 44 of this Act, and another person, which involves the conduct of a common enterprise;

(4) "Candidate" means an individual who seeks nomination or election to the General Assembly. An individual is a candidate when the individual:

(a) Files a notification and declaration for nomination for office with the Secretary of State;

(b) Is nominated for office by his party; or

(c) Solicits or receives and retains contributions, makes expenditures, or gives consent to an individual, organization, political party, or committee to solicit or receive and retain contributions or make expenditures to secure nomination or election to the General Assembly whether or not the office for which the individual will seek nomination or election is known when the:

1. Solicitation is made;

2. Contribution is received and retained; or

3. Expenditure is made;

(5) "Charitable organization" means an organization described in 26 U.S.C. Sec. 170(c) as it currently exists or as it may be amended;

(6) "Commission" [~~"Board"~~] means the *Kentucky Legislative* [~~Board of~~] Ethics *Commission* [~~of the Kentucky General Assembly~~];

(7) (a)[~~(2)~~] "Compensation" means***:*** [~~any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another;~~]

1. An advance, conveyance, forgiveness of indebtedness, deposit, distribution, loan, payment, gift, pledge, or transfer of money or anything of value; or

2. A contract, agreement, promise, or other obligation for an advance, conveyance, forgiveness of indebtedness, deposit, distribution, loan, payment, gift, pledge, or transfer of money or anything of value, for services rendered or to be rendered;

(b) "Compensation" does not include reimbursement of expenses if:

1. The reimbursement does not exceed the amount actually expended for the expenses; and

2. It is substantiated by an itemization of expenses;

(8) "Economic interest" means an interest distinct from that of the general public in a state purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services in which a legislator may gain an economic benefit of fifty dollars ($50) or more;

(9) "Employer" has the same meaning as in Section 23(1) of this Act;

(10) "Family member" means a person:

(a) Who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of an individual; or

(b) Is a member of the individual's household;

(11) "Filer" means an individual who is required to file a statement of financial interests pursuant to Section 17 of this Act;

(12) "Immediate family" means an unemancipated child residing in an individual's household, a spouse of an individual, or a person claimed by the individual's spouse as a dependent for tax purposes;

[~~(3) "Economic opportunity" means any purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services wherein a legislator may gain an economic benefit;~~]

(13) "Legislative agent" has the same meaning as in Section 23(6) of this Act;

(14)[~~(4)~~] "Legislative interest" means a substantial economic interest, distinct from that of the general public, in one (1) or more legislative matters;

(15)[~~(5)~~] "Legislative matter" means any bill, resolution, nomination, or other issue or proposal pending before the General Assembly or any ***interim committee,*** committee, subcommittee, or commission ***of the General Assembly*** [~~thereof~~];

(16)[~~(6)~~] "Legislator" means a member or member-elect of the General Assembly;

(17) "Person" means an individual, proprietorship, firm, partnership, joint venture, joint stock company, syndicate, business trust, estate, company, corporation, association, club, committee, organization, or group of persons acting in concert;

(18) "Public servant" means an elected or appointed officer or employee of a federal or state agency, state institution of higher education, or a city, county, urban-county, or charter county government;

[~~(7) "Lobbying" means communicating directly or soliciting others to communicate with any legislator with the purpose of influencing any legislative action;~~

~~(8) "Lobbyist" means "lobbyist" as it is defined in KRS 6.250;~~

~~(9) "Person with whom the legislator maintains a close economic association" means a person associated with the legislator in a partnership, business, or professional service corporation, whether as partner, officer, employee, associate, or otherwise;~~

~~(10) "Member of a legislator's family" means either the legislator's spouse or the legislator's sons or daughters, parents, grandparents, brothers, or sisters, whether of the whole blood or the half blood; and~~]

(19)[~~(11)~~] "State agency" means any department, office, commission, board, or authority within the executive department, and includes state-supported universities and colleges.

STANDARDS OF CONDUCT

GENERAL STANDARDS

Section 3. KRS 6.775 is amended to read as follows:

A legislator, by himself or through others, shall not knowingly:

(1) [~~No legislator shall~~] Use ***or attempt to use*** his influence as a member of the General Assembly in any matter which involves a substantial conflict between his personal [~~or private~~] interest and his duties in the public interest***;***[~~.~~]

(2) [~~No legislator shall~~] Use his official position or office to obtain financial gain for himself, any members of the legislator's family, or ***a business associate of*** [~~persons with whom~~] the legislator***;*** [~~maintains a close economic association.~~]

(3) [~~No legislator shall~~] Use or attempt to use his official position to secure or create privileges, exemptions, advantages, contracts, or treatment for himself or others in derogation of the public interest at large***;***[~~.~~]

(4) ***Use public funds, time, personnel, facilities, or equipment for his private gain or that of another, unless the use is authorized by law;***

(5) Use public funds, time, personnel, facilities, or equipment for partisan political campaign activity, unless the use is:

(a) Authorized by law; or

(b) Properly incidental to another activity required or authorized by law, such as elections to constitutional or party offices within the General Assembly [~~No legislator in order to further his own economic interests, or those of any other person, shall disclose or use confidential information acquired in the course of his official duties.~~

~~(5) No legislator shall receive, directly or indirectly, any interest, profits or perquisites arising from the use or loan of public funds in his hands or to be raised through any agency of the General Assembly.~~

~~(6) No legislator shall act as officer or agent for the Commonwealth or any agency in the transaction of any business with himself, or with any corporation, company, association or firm in which he or his spouse has any interest greater than five percent (5%) of the total value thereof.~~

~~(7) No legislator shall knowingly himself or through any corporation, company, association, firm, partnership, or other enterprise in which he owns or controls an interest of more than five percent (5%), or by any other person for his use or benefit or on his account, undertake, execute, hold or enjoy, in whole or in part, any contract, agreement, sale or purchase of the value of twenty-five dollars ($25) or more, made, entered into, awarded or granted by any state agency, unless the contract, agreement, sale or purchase was made or let after public notice and competitive bidding.~~

~~(8) No legislator shall be in any manner interested, either directly or indirectly, in his own name, or in the name of any member of his family, or in the name of any other person, association, trust, or corporation, in any contract for the performance of any work in the making or letting or administration of which the legislator may be called upon to act or vote. No legislator shall represent, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for any contract or work in regard to which the legislator may be called upon to act or vote. Any contract made and procured in violation hereof shall be void. For the purposes of this subsection, the holding of less than a five percent (5%) interest in any corporation, company, association, firm, partnership, or other enterprise shall not be considered an interest~~].

USE OF CONFIDENTIAL INFORMATION

SECTION 4. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator shall not, in order to further his own economic interest or that of any other person, disclose or use confidential information acquired in the course of his official duties. Information shall be deemed confidential if it is not subject to public disclosure pursuant to the Kentucky Open Records Act, KRS 61.872 to 61.884, at the time of its disclosure or use.

USE OF PUBLIC FUNDS

SECTION 5. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator shall not receive, directly or indirectly, any interest, profits, or perquisites arising from the use or loan of public funds in his hands or to be raised through any agency of the General Assembly.

CONTRACTS WITH STATE GOVERNMENT

SECTION 6. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator shall not use the influence of his office to secure for himself, any other person, or a business in which he owns an interest of at least five percent (5%), a contract, agreement, sale, or purchase of the value of twenty-five dollars ($25) or more, made, entered into, awarded, or granted by any state agency. However, this section shall not preclude a legislator or any business in which he owns an interest from securing any contract, agreement, sale, or purchase made or let after public notice and competitive bidding, or which is available on similar terms to members of the legislator's business, occupation or profession.

SALE OR LEASE OF REAL PROPERTY

SECTION 7. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator, his corporation, company, or any corporation, company, association, firm, partnership, or other enterprise in which he or his spouse own or control an interest of more than five percent (5%), shall not lease or sell any facility, building, or other real property to a state agency while the legislator is a member of the General Assembly. This provision does not apply to sales or leases made under threat or or pursuant to KRS Chapter 416 relating to eminent domain, and does not impair any contract existing on the effective date of this Act.

A legislator, his spouse, or any corporation, company, association, firm, partnership, or other enterprise in which he or his spousehLEGISLATORS' CONDUCT IN RELATION TO STATE AGENCIES

Section 8. KRS 6.795 is amended to read as follows:

(1) ***A*** [~~No~~] legislator, by himself or through others, shall ***not*** use or attempt to use any means to influence a state agency in derogation of the public interest at large.

(2) ***A legislator shall not, for compensation, appear before a state agency as an expert witness*** [~~Whenever a legislator appears before a state agency he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or personal or private interest~~].

(3) ***Except for purely ministerial matters which do not require discretion on the part of the state agency, a legislator shall not, for compensation, represent any person before a state agency regarding:***

(a) The contracting for or purchase, sale, rental, or lease of real property, goods, or services, from or to a state board, commission, or agency;

(b) Any proceeding relating to rate making;

(c) The adoption, amendment, or repeal of any administrative regulation;

(d) The obtaining of grants of money or loans;

(e) Licensing or permitting; or

(f) Any proceeding before the Public Service Commission [~~No legislator shall, for compensation, appear before a state agency as an expert witness~~].

(4) ***A*** [~~No~~] legislator ***may*** [~~shall~~] receive or agree to receive compensation for representing any person in any ***other*** transaction involving the state ***or any state agency under any of the following conditions***[~~, provided that this subsection shall not apply to~~]:

(a) ***If the representation is not prohibited by subsection (3) of this section, a duly licensed legislator may represent a client before a state agency, for compensation, if the legislator files a disclosure statement with the commission stating the client's name and the services rendered;***

(b) If the matter is a purely ministerial one which does not require discretion on the part of the state agency; or

(c) An attorney or other licensed professional may appear or negotiate on behalf of his client in any court or other body in which the proceedings are adversarial in nature and the representation is not prohibited by subsection (3) of this section or by applicable codes of attorney or other professional conduct. However,

a legislator who is an attorney shall not, for compensation, represent a client in maintaining an action against the Commonwealth or any state agency, other than proceedings before the Workers' Compensation Board, including cases in which the special fund is a party. A legislator who is an attorney shall not represent the Commonwealth in defending an action in any court;

(d) If a legislator represents a person in a ministerial matter as described in paragraph (b) of this subsection, or an adversarial proceeding as described in paragraph (c) of this subsection, the legislator shall not be required to file a disclosure statement relating to those matters or proceedings [~~A legislator representing a person when such representation requires the legislator to possess a special license, permit or technical knowledge to properly represent the person;~~

~~(b) An attorney appearing or negotiating on behalf of his client in any matter involving the state in any court in an action involving the state or before any state agency;~~

~~(c) A legislator making inquiry for information on behalf of another from any state agency if no fee or reward is given or promised in consequence thereof;~~

~~(d) A legislator representing a constituent before a state agency if no fee or reward is given or promised in consequence thereof; or~~

~~(e) Any firm or association with which a legislator is associated appearing or rendering services in relation to any matter or transacting business with a state agency unless the fact of that association is used to influence or attempt to influence the state agency in rendering its decision~~].

(5) ***A legislator shall receive no compensation from representation by a partner in any matter in which representation by the legislator is prohibited by subsection (3) of this section.***

(6) A [~~No~~] legislator shall ***not*** receive or enter into any express or implied agreement to receive compensation for services to be rendered in relation to any case, proceeding, application, or other matter before any state agency, ***in which*** [~~whereby~~] his compensation is to be dependent or contingent upon any action by ***the*** [~~such~~] agency with respect to any license, contract, certificate, ruling, decision, opinion, rate schedule, franchise, or other benefit other than a monetary claim. Nothing in this section shall be deemed to prohibit the fixing at any time of fees based upon the usual and customary value of the services rendered.

[~~(6) No legislator shall knowingly receive or agree to receive, directly or indirectly, compensation for any services to be rendered, either by himself or another, in negotiations with the state or an agency as defined in KRS 45A.335 for the purchase by the state or an agency of an interest in real property. This section shall not apply to appearances before any court.~~

~~(7) No legislator shall enter into any agreement, expressed or implied, for compensation for services in connection with any judicial or administrative proceeding before a state agency wherein his official position might reasonably be expected to give him unusual influence.~~]

(7)[~~(8)~~] ***If*** [~~Whenever~~] a legislator considers entering into an agreement for compensation for representing any person in any transaction involving the state, he ***shall*** [~~should~~] consider the following factors:

(a) Whether the matter is being brought to him in an attempt to obtain improper influence over the state agency;

(b) Whether there is a reasonable possibility that the action of the state agency will be unduly influenced because of his participation; or

(c) The effect of his participation on public confidence in the integrity of the Legislature.

(8) A legislator may make inquiry for information from any state agency if no fee or reward is given or promised for that inquiry. A legislator may represent a constituent before a state agency if no fee or reward is given or promised for that representation.

(9) If a legislator appears before a state agency he shall avoid all conduct which might in any way lead members of the general public to conclude he is using his official position to further his personal interest.

HONORARIA PROHIBITED

SECTION 9. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislator shall not accept any compensation in consideration for an appearance, speech, or article unless the appearance, speech, or article is both related to the legislator's employment outside the General Assembly and is unrelated to his position as a legislator.

(2) A legislator may accept prepaid transportation, food, and lodging or be reimbursed for actual expenses for out-of-state travel associated with the performance of his duties as a legislator if he obtains prior approval of the travel from the Legislative Research Commission. The reimbursement of expenses pursuant to this subsection shall be reported to the Legislative Research Commission.

ACCEPTANCE OF ADDITIONAL COMPENSATION OR GIFTS FOR PERFORMANCE OF LEGISLATIVE DUTIES PROHIBITED

Section 10. KRS 6.790 is amended to read as follows:

(1) ***A*** [~~No~~] legislator shall ***not*** accept compensation, other than that provided by law for members of the General Assembly, for performance of his legislative duties. No person, other than state officials or employees performing their duties in making payments to members of the General Assembly as provided by law, may pay or offer to pay any person any compensation for performance of his legislative duties.

(2) ***A*** [~~No~~] legislator ***or his spouse*** shall ***not*** solicit, accept, or agree to accept ***anything of value from a legislative agent or an employer of a legislative agent*** [~~, gifts, loans, gratuities, discounts, favors, or services having an aggregate value of $200 or more during a biennial period and twelve (12) months thereafter from any one person known to have legislative interests, under circumstances from which it could reasonably be inferred that a major purpose of the donor is to influence him in the performance of his official duties.~~

~~This subsection does not apply to:~~

~~(a) Any political contribution, including the purchase of tickets to, or advertisements in journals, for political or testimonial dinners, if such contribution is actually used for political purposes and is not given under circumstances from which it could reasonably be inferred that the purpose of the donor is to substantially influence the member in the performance of his official duties.~~

~~(b) A usual and customary commercial loan made in the ordinary course of business~~].

(3) A legislator may accept contributions from private sources for use in defraying the expenses necessarily related to the adequate performance of his legislative duties, but any legislator accepting such contributions shall file, at such time, in such manner, and in such detail, as the ***commission*** [~~board~~] may prescribe, a written statement with the ***commission*** [~~board~~] describing the amount of such contributions and the uses to which they are put.

NEPOTISM PROHIBITED

SECTION 11. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A member of a legislator's family shall not be employed or appointed to an office or position in the legislative branch of state government.

(2) A legislator shall not advocate or cause the employment, appointment, promotion, transfer, or advancement of a member of the legislator's family to an office or position in the executive branch of state government.

(3) A legislator shall not participate in any action relating to the disciplining of a member of the legislator's family in the legislative or executive branch of state government.

(4) Subsection (1) of this section shall not apply to a member of a legislator's family who is employed or appointed to an office or position in the legislative branch of state government prior to the legislator's election to the General Assembly or prior to the effective date of this Act.

POST-TERM LOBBYING

SECTION 12. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A former legislator shall not be a legislative agent, other than for a public agency, until after the latter of:

(1) Two (2) years have elapsed since the date the legislator left office; or

(2) The first regular session of the General Assembly after the legislator left office has adjourned sine die.

CONFLICT OF INTEREST

Section 13. KRS 6.760 is amended to read as follows:

(1) ***If*** [~~When~~] a legislator's personal [~~or private~~] interest conflicts with the public interest and tends to affect his independence of judgment, in accordance with Section 57 of the Constitution, his legislative activities are subject to limitations. ***If*** [~~Where~~] any such conflict exists, he shall disqualify himself from voting upon any question in which he has a personal [~~or private~~] interest***, and he shall abstain from participation in the discussion of the question in committee and on the floor of the General Assembly***. [~~However, when such a conflict exists, a legislator may participate in the business of the General Assembly and its committees, except to vote, and in so doing, he is presumed to act in good faith and in the public interest.~~]

(2) A legislator may introduce but shall not vote for any legislation on his own behalf, or on behalf of any other person, corporation, partnership, trust, or business entity which directly affects ***the*** [~~such~~] legislator or in which ***the*** [~~such~~] legislator has or may have a personal [~~or private~~] interest, other than legislation affecting legislative salaries, expenses***, benefits,*** and allowances; provided that this provision shall not preclude a legislator from voting for any proposed general legislation.

(3) ***If*** [~~When~~] a legislator introduces or co-sponsors legislation in which he has or may have a personal [~~or private~~] interest he shall disclose that fact on the jacket of the bill by writing, following his signature, "having a personal [~~or private~~] interest in the subject of this legislation." ***This*** [~~Such~~] disclosure shall appear on the printed copy of the bill which the legislator has introduced.

(4) ***If*** [~~When~~] a legislator abstains from voting on legislation in which he has or may have a personal [~~or private~~] interest, he shall, in accordance with Section 57 of the Constitution, disclose that fact to his respective legislative body in the following manner:

(a) On any vote by the house of which the legislator is a member***, he*** [~~that affects the disposition of legislation in which he has a personal or private interest, a legislator~~] shall advise the presiding officer prior to the commencement of the vote and shall be excused from voting on ***or discussing*** the legislation. A legislator may request that a statement be entered verbatim in the journal setting out his interest in the legislation to be voted on and his reasons for abstention.

(b) In committee, a legislator shall advise the presiding officer that he has a personal [~~or private~~] interest in the legislation and shall be excused from voting ***on or discussing it***. The legislator may request that a statement be entered in the minutes of the meeting setting out his interest in the legislation to be voted on and his reasons for abstention.

Section 14. KRS 6.765 is amended to read as follows:

(1) A legislator has ***a personal*** [~~an~~] interest which is in conflict with the proper discharge of his duties in the public interest [~~and of his responsibilities as prescribed in the laws of this state, arising from any situation,~~] if [~~he has reason to believe or expect that because of his personal or private interest~~] he or any member of his family or ***a business associate*** [~~persons with whom the legislator maintains a close economic association~~] will derive a direct monetary gain or suffer a direct monetary loss as a [~~direct~~] result of ***the legislation under consideration*** [~~his legislative vote on proposed legislation in committee or on the floor~~].

(2) A personal [~~or private~~] interest ***shall*** [~~may~~] be presumed to exist ***if the bill relates to a business in which the legislator*** [~~when a legislator~~]:

(a) Has a substantial financial interest by reason of ownership of, control of, or the exercise of power over any interest greater than ***ten thousand dollars ($10,000) or*** five percent (5%) of the value of any corporation, company, association, or firm, partnership, proprietorship, or any other business entity of any kind or character which could be affected by proposed or pending legislation; [~~or~~]

(b) Is an officer, director, or agent for any such corporation, company, association or firm, partnership, proprietorship, or any other business entity of any kind or character which could be affected by proposed or pending legislation; ***or***

(c)[~~(b)~~] ***Is a business associate of*** [~~Has or acquires a close economic association with~~], or is a member of the family of, a person who is a ***legislative agent*** [~~lobbyist~~] or who employs or has employed a ***legislative agent*** [~~lobbyist~~] to propose legislation or to influence proposed legislation on which the legislator has or may be expected to vote[~~; or~~

~~(c) Accepts or solicits or agrees to accept a gift, loan, gratuity, discount, favor, service, or economic opportunity of significant value or having aggregate value of two hundred dollars ($200) or more during a biennial period and twelve (12) months thereafter from a person who could be affected by or who has an interest in an enterprise which would be affected by proposed legislation or under circumstances from which it could reasonably be inferred that the purpose of the donor is to influence him in the performance of his official duties. This provision shall likewise apply where such gifts, loans, gratuities, discounts, favors, services, or opportunities are accepted by a member of a legislator's family.~~

~~(3) The provisions of subsection (2) of this section do not apply to the following:~~

~~(a) A usual and customary loan made in the ordinary course of business by a person, or institution authorized by law to engage in the business of making loans;~~

~~(b) An occasional nonpecuniary award publicly presented by a nonprofit organization for performance of public service;~~

~~(c) Payment of or reimbursement for actual and necessary expenditures for travel and subsistence for a legislator's personal attendance at a convention or other meeting at which he is scheduled to participate and for which attendance no reimbursement is made by the Commonwealth of Kentucky; or~~

~~(d) Any political contribution, including the purchase of tickets to, or advertisements in journals, for political or testimonial dinners, if such contribution is actually used for political purposes and is not given under circumstances from which it could reasonably be inferred that the purpose of the donor is to substantially influence the legislator in the performance of his official duties~~].

(3)[~~(4)~~] A personal [~~or private~~] interest ***shall not be presumed to*** [~~may not~~] exist if any benefit or detriment which accrues to the legislator, as a member of a business, profession, occupation or other group, or to a member of his family or business associate is of no greater extent than the benefit which accrues generally to other members of ***that*** [~~such~~] business, profession, occupation or other group.

(4) The right of legislators to represent their constituencies, however, is of such major importance that legislators should be barred from voting on matters of direct personal interest only in clear cases and if the matter is particularly personal.

Section 15. KRS 6.800 is amended to read as follows:

(1) No legislator shall accept any appointment as an officer or employee of the Commonwealth or any state agency except as provided in subsection ***(3)*** [~~(2)~~] of this section and in Section 165 of the Constitution unless he shall have first resigned his membership in the General Assembly, and it shall be unlawful for the State Treasurer to pay any salary by reason of ***the*** [~~such~~] appointment until the resignation has been received by the presiding officer of the house of which he is a member.

(2) ***A legislator shall not serve as a member of any board, commission, or special district governing body created pursuant to the statutes listed in KRS 65.060.***

(3) Notwithstanding the provisions of subsection (1) of this section, a legislator may serve on the faculty ***or staff*** of any of the state universities or community colleges or as an employee of a local public school board without resigning his membership in the General Assembly.

(4)[~~(3)~~] No legislator shall, while in the discharge of the duties of his office, become intoxicated by the use of spiritous, vinous or malt liquors***, or any controlled substance, as defined in KRS 218A.010***. Any legislator who is unable, incompetent or disqualified to discharge any of the duties of his office because of the use of spiritous, vinous or malt liquors***, or any controlled substance, as defined in KRS 218A.010,*** shall be deemed to have violated this subsection.

(5)[~~(4)~~] No legislator shall engage in conduct which constitutes a breach of public trust.

CAMPAIGN CONTRIBUTIONS FROM LEGISLATIVE AGENTS PROHIBITED

SECTION 16. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A member of the General Assembly, candidate for the General Assembly, or his campaign committee shall not accept a campaign contribution from a legislative agent. This section shall not apply to a campaign contribution from a legislative agent to any candidate seeking to represent a district in which the legislative agent is registered to vote.

FINANCIAL DISCLOSURE

SECTION 17. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The following individuals shall file a sworn statement of financial interests with the commission:

(1) Members of the General Assembly;

(2) All candidates and nominees for election to the General Assembly; and

(3) Major management personnel in the legislative branch of state government, including the director, deputy directors, and assistant directors of the Legislative Research Commission.

SECTION 18. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Sections 17 to 21 of this Act do not require the disclosure of financial information concerning the following:

(1) A spouse legally separated from a filer;

(2) A former spouse of a filer;

(3) A gift from a family member; or

(4) A campaign contribution permitted and reported pursuant to KRS Chapter 121 or 121A.

SECTION 19. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The statement of financial interests required by Section 17 of this Act shall be filed with the commission for the preceding calendar year by no later than January 31 of each year, complete through December 31 of the preceding year, except that:

(a) An individual who is not a member of the General Assembly and who files as a candidate for election to the General Assembly shall file his statement no later than twenty-one (21) days after the date he filed for office under KRS Chapter 118; and

(b) An individual appointed to a position listed in Section 17(3) of this Act shall file his initial statement no later than twenty-one (21) days after the date of his appointment.

(2) The commission may grant a reasonable extension of time for filing a statement of financial interests. The extension may not exceed thirty (30) days, except in cases of illness or incapacitation.

(3) A filer shall not knowingly include false or misleading information on his statement of financial interests.

SECTION 20. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Upon receipt by the commission, a statement of financial interests shall be a public record available for copying. A statement may be reviewed and copied at the office of the commission during ordinary business hours.

(2) A statement of financial interests shall be retained by the commission for five (5) years after filing in a form, including microfilming, that shall facilitate document retention, except that:

(a) Upon the expiration of three (3) years after an individual ceases to be a member of the General Assembly, or an individual employed in a position listed in Section 17(3) of this Act ceases to be employed in that position, the commission shall destroy any statements of financial interests or copies of those statements filed by the individual and which are in the possession of the commission, unless the individual is otherwise required to file a statement; and

(b) Upon the expiration of three (3) years after any election at which a candidate for the General Assembly was not elected or nominated, the commission shall destroy any statements of financial interests or copies of those statements filed by him as a candidate, unless the individual is otherwise required to file a statement.

SECTION 21. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The statement of financial interests required by Section 17 of this Act shall be filed on a form prescribed by the commission. The commission shall provide copies of the form without charge to any person required to file.

(2) The statement shall include the following information for the preceding calendar year:

(a) Name, business address, business telephone number, and home address of the filer;

(b) Title of the filer's public position or office sought;

(c) Any other occupations of filer and spouse;

(d) Positions held by the filer or his spouse in any business, partnership, or corporation for profit, and the name of that business, partnership, or corporation;

(e) Names and addresses of all businesses, investments, or securities in which the filer, his spouse, or dependent children has or had at any time during the preceding year an interest of ten thousand dollars ($10,000) at fair market value or five percent (5%) ownership interest or more;

(f) Sources of gross income of the filer and his spouse, information concerning the source, and the form of the income;

(g) A listing by name and services rendered of any client who, for compensation, was represented by the filer before an agency of state government, except no listing shall be required for any client represented in a ministerial matter or an adversarial proceeding, as provided in Section 8(4)(d) of this Act;

(h) All positions of a fiduciary nature in a business;

(i) A designation as commercial, residential, or rural, for and the location of all real property in which there is an interest of ten thousand dollars ($10,000) or more held by the filer, his spouse, or dependent children;

(j) Sources of gifts of money or property with a retail value of more than two hundred dollars ($200) to the filer or the filer's immediate family, except those from a member of the filer's family;

(k) The name of any creditor owned more than ten thousand dollars ($10,000), except debts arising from the purchase of consumer goods;

(l) The name of any legislative agent who is:

1. A member of the filer's immediate family;

2. A partner of the filer, or a partner of a member of the filer's immediate family;

3. An officer or director of the filer's employer;

4. An employer of the filer or an employer of a member of the filer's immediate family; or

5. A business associate of the filer or a business associate of a member of the filer's immediate family; and

(m) The names of any of the filer's clients who have registered as legislative agents or employers of a legislative agent.

(3) Paragraphs (a) to (m) of subsection (2) of this section shall not require disclosure of specific dollar amounts.

LEGISLATIVE LOBBYING

SECTION 22. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The General Assembly finds and declares the following:

(1) The operation of open and responsible government requires the fullest opportunity to be afforded to the people to petition their government for the redress of grievances and to express freely their opinions on executive and legislative action.

(2) The identity and expenditures of certain persons who attempt to influence executive and legislative actions should be publicly identified and regulated to preserve and maintain the integrity of government.

SECTION 23. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

As used in Sections 23 to 44 of this Act:

(1) "Employer" means any person who engages a legislative agent;

(2) "Engage" means to make any arrangement, and "engagement" means any arrangement, by which an individual is employed or retained for compensation to act for or on behalf of an employer to lobby;

(3) (a) "Expenditure" means any of the following that is made to, at the request of, for the benefit of, or on behalf of any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any of those officials:

1. A payment, distribution, loan, advance, deposit, reimbursement, or gift of money, real estate, or anything of value, including but not limited to, food and beverages, entertainment, lodging, transportation, or honoraria;

2. A contract, promise, or agreement, to make an expenditure; or

3. The purchase, sale, or gift of services or any other thing of value.

(b) "Expenditure" does not include a contribution, gift, or grant to a foundation or other charitable organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. "Expenditure" does not include the purchase, sale, or gift of services or any other thing of value that is available to the general public on the same terms as it is available to the persons listed in this subsection.

(4) (a) "Financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, ownership, or part ownership in common of any real or personal property or any commercial or business enterprise of whatever form or nature between the following:

1. A legislative agent, his employer, or a member of the immediate family of the legislative agent or his employer; and

2. Any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any of the officials listed in this subparagraph;

(b) "Financial transaction" does not include any transaction or activity described in paragraph (a) of this subsection if it is available to the general public on the same terms.

(5) "Legislation" means bills, resolutions, amendments, nominations, and any other matter pending before the General Assembly or any of its interim committees, or the executive approval or veto of any bill acted upon by the General Assembly;

(6) (a) "Legislative agent" means any individual who is engaged during at least a portion of his time to lobby as one of his official responsibilities;

(b) "Legislative agent" does not include:

1. Any person who limits his lobbying activities to appearing before public meetings of legislative committees or public hearings or meetings of public agencies;

2. A private citizen who receives no compensation or other consideration for lobbying and who expresses a personal opinion; or

3. A public servant acting in his fiduciary capacity as a representative of his agency, college, university, or city, county, urban-county, or charter county government, except persons engaged by a de jure municipal corporation, such as the Kentucky Lottery Corporation or the Kentucky Housing Corporation, institutions of higher education, or local governments, whose primary responsibility during sessions of the General Assembly is to lobby.

(7) (a) "Lobby" means to promote, advocate, or oppose the passage, modification, defeat, or executive approval or veto of any legislation by direct communication with any member of the General Assembly, the Governor, the secretary of any program cabinet listed in KRS 12.250, or any member of the staff of any of the officials listed in this paragraph.

(b) "Lobbying" does not include:

1. Appearances before public meetings of the committees and interim committees of the General Assembly;

2. News, editorial, and advertising statements published in newspapers, journals, or magazines, or broadcast over radio or television;

3. The gathering and furnishing of information and news by bona fide reporters, correspondents, or news bureaus to news media described in paragraph (b)2. of this subsection;

4. Publications primarily designed for, and distributed to members of, bona fide associations or charitable or fraternal nonprofit corporations;

5. Professional services in drafting bills or resolutions, preparing arguments on these bills or resolutions, or in advising clients and rendering opinions as to the construction and the effect of proposed or pending legislation, if the services are not otherwise connected with lobbying; or

6. The action of any person not engaged by an employer who has a direct interest in legislation, if the person, acting under Section 1 of the Kentucky Constitution assembles together with other persons for their common good, petitions any official listed in this subsection for the redress of grievances or other proper purposes.

(8) "Staff" means any employee of the office of the Governor, or a cabinet listed in KRS 12.250, whose official duties are to formulate policy and who exercises administrative or supervisory authority, or who authorizes the expenditure of state funds.

SECTION 24. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislative agent or employer shall not knowingly fail to register, as required under Section 25 of this Act.

(2) A legislative agent or employer shall not knowingly fail to keep a receipt or maintain a record which Section 27 of this Act requires the person to keep or maintain.

(3) A person shall not knowingly fail to file a statement that Section 25, 26, or 27 of this Act requires the person to file.

(4) A legislative agent or employer shall not knowingly offer, give, or agree to give anything of value to a legislator, his spouse, or child.

(5) A legislative agent shall not serve as a campaign official or fundraiser as defined in KRS Chapter 121 for a member of or candidate for the General Assembly.

(6) A legislative agent shall not make a campaign contribution to a member of the General Assembly, a candidate for the General Assembly, or a member or candidate's campaign committee. This subsection shall not apply to a campaign contribution from a legislative agent to any candidate seeking to represent a district in which the legislative agent is registered to vote.

(7) A legislative agent or agents and their employer shall not collectively spend more than one hundred dollars ($100) in a calendar year on the purchase of meals and beverages for each legislator.

(8) An employer shall not employ, appoint, retain, or formally designate a former legislator as a legislative agent until at least one (1) regular session of the General Assembly shall have intervened since the date on which the former legislator's most recent term of office expired, even if the office was vacated earlier.

(9) No person shall engage any person to lobby in exchange for compensation that is contingent in any way upon the passage, modification, or defeat of any legislation. No person shall accept any engagement to lobby in exchange for compensation that is contingent in any way upon the passage, modification, or defeat of any legislation.

(10) A legislative agent or other lobbyist shall not go upon the floor of either house of the General Assembly while the house is in session, except upon invitation of that house.

SECTION 25. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each legislative agent and employer, within seven (7) days following engagement of a legislative agent, shall file with the commission an initial registration statement listing the following:

(a) The name, business address and telephone number, and occupation of the legislative agent;

(b) The name, brief description of the nature of the business, business address and telephone number of the employer, and the real party in interest on whose behalf the legislative agent is lobbying, if it is different from the employer. For the purposes of this section, if a trade association or other charitable or fraternal organization that is exempt from federal income taxation under Section 501(c) of the Internal Revenue Code is the employer, the statement shall not list the names and addresses of each member of the association or organization, if the association or organization itself is listed;

(c) The name, bill number, or a brief description of the legislative action for which the legislative agent is or will be engaged in lobbying;

(d) The date on which the legislative agent was engaged; and

(e) Certification by the employer and legislative agent that the information contained in the registration statement is complete and accurate.

(2) (a) In addition to the initial registration statement required by subsection (1) of this section, each legislative agent and employer shall file an updated registration statement with the commission to be received by the commission, not later than 4 p.m. on the fifteenth day of January, February, March, April, and May, and the fifteenth day of September of each even-numbered year, and the fifteenth day of January, May, and September in each odd-numbered year, for the period since the end of the period covered by the previous report until the last day of the month preceding the filing date.

(b) The updated registration statement shall confirm the continuing existence of each engagement described in an initial registration statement, and list the specific bills or resolutions on which the agent lobbied under that engagement during the period covered by the updated statement. Any statement of expenditures required to be filed by Section 27 of this Act and any details of financial transactions required to be filed by Section 28 of this Act shall be filed with the updated registration statement.

(3) If a legislative agent is engaged by more than one employer, the agent shall file a separate initial and updated registration statement for each engagement. If an employer engages more than one legislative agent, the employer shall file only one updated registration statement under subsection (2) of this section, which shall contain the information required by subsection (2) of this section regarding all legislative agents engaged by the employer.

(4) (a) A change in any information required by subsection (1)(a), (b), or (c) of this section shall be reflected in the next updated registration statement filed under subsection (2) of this section.

(b) Within thirty (30) days after the termination of an engagement, the legislative agent who was employed under the engagement shall file written notice of the termination with the commission.

(5) Upon registration pursuant to subsection (1) of this section, the legislative agent shall be issued a card by the commission, showing that the legislative agent is registered. The registration card shall be valid from the date of its issuance through the next thirty-first day of December of an odd-numbered year.

SECTION 26. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each employer of a legislative agent shall pay a registration fee of two hundred fifty dollars ($250) to the commission.

(2) All fees collected by the Legislative Ethics Commission under the provisions of this section shall be deposited in the State Treasury in a trust and agency fund account to the credit of the commission. These agency funds shall be used to supplement general fund appropriations to the commission.

SECTION 27. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) With the updated registration statement required by subsection (2) of Section 25 of this Act, each legislative agent and each employer shall file a statement of expenditures as provided in subsections (2) and (3) of this section. A legislative agent shall file a separate statement of expenditures for each employer engaging him.

(2) If an employer or any legislative agent whom he engaged made expenditures, either separately or in combination with each other, either directly or indirectly, for meals and beverages on behalf of any particular member of the General Assembly, the employer or legislative agent shall also state the following:

(a) The name of the legislator on whose behalf the expenditures were made;

(b) The total amount of the expenditures made;

(c) A brief description of the expenditures made; and

(d) The approximate date the expenditures were made.

(3) In addition to the information required by subsection (2) of this section, a statement filed by a legislative agent shall show:

(a) The total amount of lobbying expenditures made by the legislative agent during the reporting period covered by the statement, whether or not reimbursed by the employer;

(b) The amount of each campaign contribution made by the legislative agent, including the date each contribution was made and the name of the candidate to whom it was given; and

(c) Cumulative amounts, except personal expenses, expended by the legislative agent for food, beverages, lodging, transportation, entertainment and other expenses directly associated with the legislative agent's lobbying activities during the reporting period.

(4) (a) In addition to the information required by subsection (2) of this section, a statement filed by an employer shall list:

1. The total amount of lobbying related expenditures made by the employer filing the statement during the period covered by the statement;

2. A complete and itemized account of all amounts expended for receptions or other events held under subsection (5) of Section 27 of this Act, including the date and location of the event and the name of the group of public servants invited to the event;

3. A complete and itemized account of all other amounts expended for lobbying, including food and lodging expenses and reimbursements, and not including personal expenses incurred by an employer or a legislative agent; and

4. The cumulative compensation paid to legislative agents, prorated to reflect the time the legislative agents were engaged in lobbying during the period covered by the statement.

(b) No employer is required to show any expenditure on a statement filed under this subsection if the expenditure is reported on a statement filed under subsection (2) of this section by a legislative agent engaged by the employer.

(5) (a) Any statement required to be filed under this section shall be filed at the times specified in Section 25 of this Act. Each statement shall cover expenditures made during the period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(b) No portion of the amount of an expenditure for a dinner, party, or other function sponsored by an employer or legislative agent need be attributed to, or counted toward the amount for a calendar year or reporting period specified in subsection (2) of this section if the sponsor has invited to the function all the members of any of the following:

1. The General Assembly;

2. Either house of the General Assembly;

3. A joint committee of the two houses of the General Assembly; or

4. A caucus of legislators approved as a caucus by the Legislative Research Commission.

(c) The amount spent for a function described in subsection (5)(b) of this section shall be added with other expenditures to determine the total amount of expenditures reported in the statement under subsections (2) and (3) of this section.

(d) If it is impractical or impossible for a legislative agent or employer to determine exact dollar amounts or values of expenditures, reporting of good faith estimates, based upon reasonable accounting procedures, constitutes compliance with this subsection.

(6) All legislative agents and employers shall retain receipts or maintain records for all expenditures that are required to be reported pursuant to this section. These receipts or records shall be maintained for a period ending on the thirty-first day of December of the second calendar year after the year in which the expenditure was made.

SECTION 28. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Any legislative agent who has had any financial transaction with or for the benefit of any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any of the officials listed in this subsection shall describe the details of the transaction, including the name of the official or employee, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the updated registration statement required by subsection (2) of Section 25 of this Act. The statement shall be filed at the times specified in Section 25 of this Act. Each statement shall describe each financial transaction that occurred during the filing period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(2) Except as provided in subsection (4) of this section, any employer who has had any financial transaction with or for the benefit of any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any official listed in this subsection shall describe the details of the transaction, including the name of the official, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the

updated registration statement required by subsection (2) of Section 25 of this Act. The statement shall be filed at the times specified in Section 25 of this Act. Each statement shall describe each financial transaction that occurred during the filing period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(3) An employer or legislative agent who is required to file a statement describing a financial transaction under this section shall deliver a copy of the statement to the official with whom or for whose benefit the transaction was made at least ten (10) days before the date on which the statement is filed.

(4) No employer shall be required to file any statement under this section or to deliver a copy of the statement to a public official with whom or for whose benefit the transaction was made if the financial transaction to which the statement pertains is reported by a legislative agent engaged by the employer.

SECTION 29. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) If a dispute arises between any member of the General Assembly or a member of the staff of the General Assembly and an employer or legislative agent with respect to an expenditure or financial transaction alleged in a statement to be filed under Section 27 or 28 of this Act, the member, employer, or legislative agent may file a complaint with the commission. The commission shall proceed to investigate the complaint in the same manner as set out in Section 38 of this Act. The commission shall notify the parties of its final decision by certified mail. If the commission decides the disputed expenditure or financial transaction should be reported, the employer or legislative agent shall include the matter in an amended statement and file the amended statement not later than ten (10) days after the employer or agent receives notice of the decision of the committee by certified mail.

(2) An employer or legislative agent who files a false statement of expenditures or details of a financial transaction is liable in a civil action to any official or employee who sustains damage as a result of the filing or publication of the statement.

SECTION 30. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The executive director of the commission shall review each registration statement, expenditure statement, and financial transaction statement filed with the commission, to determine whether the statement includes all the information required. If the statement does not include all the required information, or a legislative agent or employer has failed to file a registration statement, the commission shall send notification by certified mail to the person who filed the statement regarding the deficiency in the statement, or to the person who failed to file the statement regarding that failure. Any person so notified by the commission shall, not later than ten (10) days after receiving the notice, file a registration statement or an amended statement that does include all the information required. If any person who receives a notice under this section fails to file a registration statement or an amended statement within the ten (10) day period, the commission shall assess a fine or other appropriate penalty, or notify the Attorney General, who may take action as authorized by Section 31 of this Act. If the commission notifies the Attorney General, the commission shall also notify in writing the Governor and each member of the General Assembly of the pending investigation.

(2) The commission shall keep on file the statements required by Sections 25, 26, and 27 of this Act. Those statements are public records and open to public inspection, and the commission shall computerize them so that the information contained in them is readily accessible to the general public. The commission shall provide copies of the statements to the general public upon request and may charge a reasonable fee not to exceed the cost of copying each statement.

(3) The commission shall prescribe and make available an appropriate form for filing the information required by Sections 25, 26, and 27 of this Act. The form shall contain the following notices in boldface type: "ANY PERSON WHO KNOWINGLY FILES A FALSE STATEMENT IS IN VIOLATION OF STATE LAW AND SUBJECT TO FINES AND OTHER PENALTIES."

(4) The commission shall publish a handbook that explains Sections 1 to 44 of this Act in clear and concise language, and make it available free of charge to members of the General Assembly, legislative agents, employers, and any other interested persons.

(5) Not later than the last day of February of each year, the commission shall compile from registration statements filed with it a complete and updated list of registered legislative agents and their employers and distribute the list to each member of the General Assembly and the Governor. The commission shall provide copies of the list to the general public upon request and may charge a reasonable fee not to exceed the cost of copying and delivering the list.

(6) On or before the fifteenth day of February of each year, the commission shall, in a manner and form it determines, publish a report containing statistical information on the registration statements filed with it during the preceding year.

(7) Any regulations promulgated by the commission to implement Sections 1 to 44 of this Act shall be adopted in accordance with KRS Chapter 13A. The commission may periodically promulgate regulations that increase the amounts specified in subsection (2) of Section 26 of this Act to reflect inflation. Any increase shall be set forth in the form described in subsection (2) of this section.

SECTION 31. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The Attorney General and any assistant or special counsel designated by him may investigate compliance in connection with statements required to be filed under Sections 24 to 27 of this Act and, if there is an apparent criminal violation, shall report his findings to the Commonwealth's Attorney of Franklin County, who shall institute such proceedings as are appropriate.

ETHICS EDUCATION AND TRAINING

SECTION 32. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The General Assembly finds and declares the central function of an ethics code is to prevent rather than punish unethical conduct, and prevention depends on an effective and comprehensive ethics education program which provides information about the laws and the principles underlying the laws and which assists legislators in applying the laws and principles to specific situations.

(2) The commission shall establish and supervise a program of ethics education and training including, but not limited to, preparing and publishing an ethics education manual, designing and supervising orientation courses for new legislators, and designing and supervising current issues seminars for legislators.

(3) The commission shall establish, supervise, and conduct a program of ethics education and training designed specifically for and made available to legislative agents.

SECTION 33. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The ethics education manual shall include, but not be limited to, ethics statutes, administrative regulations, explanations of purposes and principles underlying the laws, explanations of technical and specific legal requirements, examples of practical applications of the laws and principles, a questions-and-answers section regarding common problems and situations, summaries of advisory opinions, and any other information which would inform legislators about the required standards of conduct and assist them in applying those standards to specific situations.

(2) The commission shall provide for the distribution of the manual to legislators. The commission shall distribute the first manual no later than one hundred twenty (120) days after confirmation of the first members of the commission. On or before January 1, 1995, the commission shall distribute a supplement including, but not limited to, updates, additions, and revisions. Thereafter, the commission shall distribute revised and updated versions of the manual on or before January 1 of each odd-numbered year.

(3) Copies of the manual shall be made available to the public for a reasonable fee, not to exceed the actual cost, but not including the cost of staff required.

SECTION 34. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall design the general curriculum of orientation courses, which shall include, but not be limited to, explanations and discussions of the ethics laws, administrative regulations, relevant internal policies, specific technical and legal requirements, summaries of advisory opinions, underlying purposes and principles of ethics laws, examples of practical application of the laws and principles, and a question-and-answer participatory segment regarding common problems and situations. The commission shall prepare the methods and materials necessary to implement the curriculum.

(2) The commission shall:

(a) Administer the orientation courses for legislators;

(b) Designate instructors to conduct their courses who shall be trained by the commission;

(c) Notify legislators regarding attendance in these courses;

(d) Compile and maintain attendance records; and

(e) Compile a report to the Legislative Research Commission within two (2) weeks after each course, listing names of those who did not attend, summarizing the contents of the course, and making recommendations regarding improvements in the courses.

(3) The orientation courses shall be conducted in January of each odd-numbered year. Each course shall be at least six (6) hours in length and shall be designed for approval by professional organizations for continuing education credits which those organizations may require.

(4) To further facilitate participant interaction, those portions of the courses dedicated to group participation shall be closed to the public.

(5) Each legislator shall complete the initial orientation course offered under Section 34 of this Act. Each legislator elected after the initial orientation course shall complete the next orientation course conducted. The commission may grant permission for a legislator to attend a later course in cases of illness or incapacitation.

SECTION 35. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall design the general curriculum of a current issues seminar, which shall include, but not be limited to, discussion of changes in the ethics laws and administrative regulations, new advisory opinions, current ethical issues confronting public servants, practical application of ethics laws and principles to specific issues and situations, and development of problem-solving skills. The commission shall prepare the methods and materials necessary to implement the curriculum.

(2) The commission shall:

(a) Administer the current issues seminars for legislators;

(b) Designate instructors to conduct their current issues courses who shall be trained by the commission;

(c) Notify legislators regarding attendance in these seminars;

(d) Compile and maintain attendance records; and

(e) Compile a report to the Legislative Research Commission within two (2) weeks after each seminar, listing names of those who did not attend, summarizing the contents of the seminar, and making recommendations regarding improvements.

(3) The current issues seminars shall be conducted in January of each year. Each course shall be at least three (3) hours in length and shall be designed for approval by professional organizations for continuing education credits which those organizations may require.

(4) To further facilitate participant interaction, those portions of the seminars dedicated to group participation shall be closed to the public.

(5) Each legislator, after completion of an orientation training course, shall complete one (1) current issues seminar annually.

KENTUCKY LEGISLATIVE ETHICS COMMISSION

Section 36. KRS 6.810 is amended to read as follows:

(1) The ***Kentucky Legislative*** [~~Board of~~] Ethics ***Commission*** [~~of the Kentucky General Assembly~~] is established [~~and shall be attached to the Legislative Research Commission for administrative support~~]. The members of this ***commission*** [~~board~~] shall be persons of outstanding reputation and unquestioned integrity who previously have shown an interest in the ethical conduct of public business.

(2) The ***commission*** [~~board~~] shall be composed of nine (9) members, not less than three (3) of whom shall be members of the minority party. The members shall be appointed in the following manner: ***four (4)*** [~~two (2)~~] members ***shall be appointed by the President of*** [~~from~~] the Senate ***(one (1) to be a former legislator, one (1) to be a vested member of the Judicial Retirement System, and two (2) to be selected (one (1) from each list) from lists provided pursuant to subsection (3) of this section),*** and ***four (4) members shall***

be [~~one (1) public member appointed by the Lieutenant Governor; two (2) members of the House of Representatives and one (1) public member~~] appointed by the Speaker of the House ***(one (1) to be a former legislator, one (1) to be a vested member of the Judicial Retirement System, and two (2) to be selected (one (1) from each list) from lists provided pursuant to subsection (3) of this section)***[~~; and three (3) public members appointed by the Legislative Research Commission~~]. ***One (1) member shall be appointed by the Legislative Research Commission. No member of the General Assembly shall be eligible for appointment to the commission.*** All members of the ***commission*** [~~board~~] shall serve for a term of four (4) years. Vacancies in the membership shall be filled in the same manner as the original appointments. [~~A vacancy exists when a term expires, when a person appointed from the Senate or House of Representatives ceases to be a member of such body or when a letter of resignation is received by the board.~~]

(3) ***The following persons or groups shall each submit a list of three (3) names to the President of the Senate or to the Speaker of the House of Representatives, as appropriate, for consideration for appointment to the commission:***

(a) The Attorney General who submits his list to the President of the Senate;

(b) The Auditor of Public Accounts who submits his list to the Speaker of the House;

(c) The Judicial Retirement and Removal Commission which submits its list to the President of the Senate;

(d) The Registry of Election Finance which submits its list to the Speaker of the House.

Initial lists shall be submitted within forty-five (45) days of the effective date of this Act.

(4)[~~(3) Of~~] The new members ***of the commission shall be*** appointed ***within sixty (60) days of the effective date of this Act.*** [~~as provided in this section,~~] The Speaker of the House shall appoint ***one (1)*** [~~a public~~] member for an initial term of one (1) year, ***one (1) for a term of two (2) years, one for a term of three (3) years, and one (1) for a term of four (4) years; the President of the Senate*** [~~the Lieutenant Governor~~] shall appoint ***one (1)*** [~~a public~~] member for ***a*** [~~an initial~~] term of two (2) years, ***one (1)*** [~~and the Legislative Research Commission shall appoint a public~~] member for an initial term of three (3) years, ***and two (2) members for a term of four (4) years, and the Legislative Research Commission member for an initial term of three (3) years***. Thereafter all appointments shall be for a full four (4) years.

(5)[~~(4)~~] The ***commission*** [~~board~~] shall elect from its membership a chairman and [~~such~~] other officers as it deems necessary. ***Members of the commission shall receive one hundred dollars ($100) per day*** for attending meetings ***and*** [~~members of the board~~] shall be ***reimbursed for actual and necessary expenses incurred in the performance of their official duties as members of the commission*** [~~paid their necessary traveling expenses and in addition thereto shall receive copensation commensurate with the provisions of KRS 7.090(3)~~].

(6) The commission shall meet within ninety (90) days of the effective date of this Act, and thereafter at the call of the chairman or a majority of its members. A quorum shall consist of five (5) or more members, and an affirmative vote of five (5) or more members shall be necessary for commission action.

(7) While serving on the commission, a member shall not:

(a) Serve as a fund-raiser for a slate of candidates for Governor and Lieutenant Governor, or candidate for Attorney General, Auditor of Public Accounts, or the General Assembly;

(b) Contribute to a slate of candidates for Governor and Lieutenant Governor, or candidate for Attorney General, Auditor of Public Accounts, or the General Assembly; or

(c) Serve as an officer in a political party.

(8) A member shall be removed only by the Legislative Research Commission, only for cause.

SECTION 37. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The commission may employ an executive director and any other employees, agents, and consultants it considers necessary, and may prescribe their duties, fix their compensation, and provide for reimbursement of their expenses within the amount available therefor by appropriation. The commission may also engage outside professional counsel it considers necessary. The commission and its staff may also make use of the services and facilities of the Legislative Research Commission or the office of the Attorney General.

SECTION 38. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) (a) Upon a complaint signed under penalty of perjury by any person, or upon its own motion, the commission shall investigate any alleged violation of Sections 1 to 44 of this Act.

(b) Not later than ten (10) days after the commission receives the complaint, the commission shall initiate a preliminary inquiry into any alleged violation of Sections 1 to 44 of this Act.

(c) Within thirty (30) days of the commencement of the inquiry, the commission shall forward a copy of the complaint and a general statement of the applicable law to the person alleged to have committed a violation.

(2) All commission proceedings and records relating to a preliminary investigation shall be confidential until a final determination is made by the commission, except:

(a) The commission may turn over to the Attorney General, the United States Attorney, or the Commonwealth's Attorney of the jurisdiction in which the offense allegedly occurred, evidence which may be used in criminal proceedings; and

(b) If the complainant or alleged violator publicly discloses the existence of a preliminary investigation, the commission may publicly confirm the existence of the inquiry and, in its discretion, make public any documents which were issued to either party.

(3) If the commission determines in the preliminary investigation that the complaint does not allege facts sufficient to constitute a violation of Sections 1 to 44 of this Act, the commission shall immediately terminate the inquiry and notify in writing the complainant and the person alleged to have committed a violation. The commission may confidentially inform the alleged violator of potential violations and provide information to ensure future compliance with the law. If the alleged violator publicly discloses the existence of such action by the commission, the commission may confirm the existence of the resolution and, in its discretion, make public any documents which were issued to the alleged violator.

(4) If the commission, during the course of the preliminary investigation, finds probable cause to believe that a violation of Sections 1 to 44 of this Act has occurred, the commission may, upon majority vote:

(a) Due to mitigating circumstances such as lack of significant economic advantage or gain by the alleged violator, lack of significant economic loss to the state, or lack of significant impact on public confidence in government, confidentially reprimand, in writing, the alleged violator for potential violations of the law and provide a copy of the reprimand to the presiding officer of the house in which the alleged violator serves, or the alleged violator's employer, if the alleged violator is a legislative agent. If the alleged violator publicly discloses the existence of such an action, the commission may confirm the existence of the action and, in its discretion, make public any documents which were issued to the alleged violator; or

(b) Initiate an adjudicatory proceeding to determine whether there has been a violation.

SECTION 39. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

To carry out a preliminary investigation or an adjudicatory proceeding, the commission may issue subpoenas to compel the attendance and testimony of witnesses or the production of documents, books, papers, or other records. Subpoenas may be issued by the chairman or the majority of the members of the commission and shall be served in the same manner as subpoenas for witnesses in civil cases. All provisions of law relative to subpoenas issued in these cases, including compensation of witnesses, shall apply to subpoenas issued by the commission. Upon petition by the commission, any Circuit Court within the jurisdiction of which any inquiry is being carried on may, in case of refusal to obey a subpoena or order of the commission, issue an order requiring compliance. Any failure to obey the order of the court may be punished by the court as contempt thereof.

SECTION 40. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky Rules of Civil Procedure and the Kentucky Rules of Evidence shall apply to all commission adjudicatory hearings. All testimony in a commission adjudicatory proceeding shall be under oath. All parties shall have the right to call and examine witnesses, to introduce exhibits, to cross-examine witnesses, to submit evidence, and to be represented by counsel and any other due process rights, privileges, and responsibilities of a witness appearing before the courts of the Commonwealth of Kentucky. Before testifying, all witnesses shall be given a copy of the regulations governing commission proceedings. All witnesses shall be entitled to be represented by counsel.

(2) Any person whose name is mentioned during adjudicatory proceedings of the commission and who may be adversely affected thereby may appear personally before the commission on the person's own behalf, with or without attorney, to give a statement in opposition to such adverse mention or file a written statement of that opposition for incorporation into the record of proceeding.

(3) All adjudicatory proceedings of the commission carried out pursuant to the provisions of this section shall be public, unless the members vote to go into executive session in accordance with KRS 61.810.

(4) Within thirty (30) days after the end of an adjudicatory proceeding pursuant to the provisions of this section, the commission shall meet in executive session for the purpose of reviewing the evidence before it. Within thirty (30) days after completion of deliberations, the commission shall publish a written report of its findings and conclusions.

(5) The commission, upon a finding pursuant to an adjudicatory proceeding that there has been clear and convincing proof of a violation of Sections 1 to 44 of this Act, may:

(a) Issue an order requiring the violator to cease and desist the violation;

(b) Issue an order requiring the violator to file any report, statement, or other information as required by Sections 1 to 44 of this Act;

(c) In writing, publicly reprimand the violator for potential violations of the law and provide a copy of the reprimand to the presiding officer of the house in which the alleged violator serves;

(d) In writing, recommend to the house in which the violator serves that the violator be sanctioned as recommended by the commission, which may include a recommendation for censure or expulsion; or

(e) Issue an order requiring the violator to pay a civil penalty of not more than two thousand dollars ($2,000) for each violation of Sections 1 to 44 of this Act.

(6) The commission may refer to the Attorney General for prosecution evidence of criminal violations of Sections 1 to 44 of this Act. The Attorney General shall have responsibility for all prosecutions under the law and may request from the commission all evidence collected in its investigation. The commission may represent itself through the general counsel in all subsequent proceedings.

(7) Any final action by the commission shall be subject to review in the house in which a legislator serves, upon petition of any party in interest filed with the clerk of that house within thirty (30) days after the action for which review is sought. If the final action imposes a penalty on a person other than a legislator, that person may appeal the commission's action to the Franklin Circuit Court within thirty (30) days of that final action.

SECTION 41. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall perform the following additional duties:

(a) On its own initiative or upon request in writing, issue and publish advisory opinions on the requirements of Sections 1 to 44 of this Act for those who wish to use the opinion to guide their own conduct;

(b) Provide a continuing program of education, assistance, and information, including, but not limited to, publishing and making available to the persons subject to Sections 1 to 44 of this Act and the public explanatory information concerning Sections 1 to 44 of this Act, the duties imposed by it, and the means of enforcement;

(c) Promulgate administrative regulations in accordance with KRS Chapter 13A to implement Sections 1 to 44 of this Act;

(d) Prescribe forms for statements required by Sections 1 to 44 of this Act and furnish the forms to persons required to file the statements. The forms shall be adopted as administrative regulations or adopted by reference in an administrative regulation;

(e) Prepare and publish a manual of guidelines setting forth uniform methods of reporting for use by persons required to file under Sections 1 to 44 of this Act;

(f) Accept and file any information voluntarily supplied that exceeds the requirements of Sections 1 to 44 of this Act;

(g) Preserve the disclosure statements filed with it for five (5) years from the date of receipt;

(h) Make statements and reports filed with the commission available for public inspection and copying pursuant to Kentucky Open Records Law, KRS 61.870 to 61.884;

(i) Compile and maintain a current index of all statements filed with the commission to facilitate public access to the reports and statements;

(j) Prepare and publish reports as it may deem appropriate;

(k) Audit statements and reports filed with the commission;

(l) Make recommendations for legislation relating to governmental ethics and other matters included in Sections 1 to 44 of this Act as the commission deems desirable; and

(m) Prepare a biennial written report, no later than December 1 of each odd-numbered year, to the Legislative Research Commission, and the public on the activities of the commission in the preceding two (2) fiscal years. The report shall contain the names and duties of each individual employed by the commission and a summary of commission determinations and advisory opinions. The report may contain other information on matters within the commission's jurisdiction and recommendations for legislation as the commission deems desirable.

(2) To carry out the provisions of Sections 1 to 44 of this Act, the commission may contract with any public or private agency or educational institution or any individual for research studies, the gathering of information, the printing and publication of its reports, consulting, or for any other purpose necessary to discharge the duties of the commission.

SECTION 42. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall provide to the Legislative Research Commission a list of every legislative agent registered with the commission, including the name of each entity he represents. The list shall be furnished on January 15 and July 15 of each year and on the first day the General Assembly is convened in extraordinary session. Changes in the lists shall be furnished on Friday of each week that the General Assembly is convened in regular or extraordinary session.

(2) Upon the sine die adjournment of a regular session of the General Assembly, the commission shall provide to the Registry of Election Finance a list of each person who was registered as a legislative agent or employer at any point during the period in which the General Assembly was convened in regular session. Upon the convening, sine die adjournment, and each Friday that the General Assembly is convened in extraordinary session, the commission shall provide to the Registry of Election Finance a list of each person who was registered as a legislative agent or employer at any point during that period.

SECTION 43. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Any legislator who is convicted in any state or federal court of a felony related to the performance of his official duties shall forfeit rights and benefits earned after the effective date of this Act under any state-administered retirement system of which he is a member, except for the return of his accumulated contributions and interest credited on his contributions;

(2) If the governing board of a state-administered retirement system receives notice of a legislator's conviction for an offense described in subsection (1) of this section, or otherwise has reason to believe that any person is required by this section to forfeit rights and benefits in the system, the board shall:

(a) Hold a hearing to determine if the person is required by this section to forfeit the rights and benefits; and

(b) Order the rights and benefits forfeited if it determines that the person is required to forfeit the rights and benefits.

(3) Any order of forfeiture of retirement system rights and benefits made under this section may be appealed to the Franklin Circuit Court.

(4) The payment of retirement benefits ordered forfeited shall be stayed pending any appeal of the conviction. If the conviction is reversed on final judgment, no retirement benefits shall be forfeited. If the conviction is affirmed on final judgment, retirement benefits shall be forfeited as ordered under this section.

SECTION 44. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Violation of Section 3(1), (2), or (3); Section 4; Section 8(1); or Section 13(2) of this Act is a Class D felony.

(2) Violation of Section 3(4) or (5); or Section 10(1) of this Act is a Class A misdemeanor.

(3) Violation of Section 10(2) of this Act is a Class B misdemeanor.

(4) Violation of Section 8(3), (4), (5), (6), or (9); Section 9; Section 11(1) or (2); Section 12; Section 13(1) or (3); Section 15(2) or (4); Section 16; or Section 19(3) of this Act is a violation.

(5) Any person who violates Section 5 of this Act shall be guilty of a Class D felony. The judgment of conviction shall recite that the offender is disqualified to hold any public office thereafter.

(6) Any person who violates Section 6; Section 7; or Section 8(2) of this Act shall be guilty of a Class D felony, and in addition, shall be judged to have forfeited any constitutional or statutory office of employment which he may hold.

(7) The following schedule shall apply to submission of the statements of financial interests under Sections 17 through 21 of this Act:

(a) A filer submitting a statement of financial interests within ten (10) days of the statutory deadline or the deadline authorized by the commission shall be subject to no penalty;

(b) A filer submitting a statement of financial interests on the eleventh through thirty-first day after the statutory deadline or deadline authorized by the commission shall be subject to civil penalties assessed by the commission.

(8) If any legislative agent or employer violates any subsection of Section 24 of this Act, he shall for the first violation be subject to civil penalties assessed by the commission, which may include, but not be limited to, suspension or revocation of the registration of the violator. For the second and each subsequent violation, he shall be guilty of a Class D felony.

(9) In addition to the criminal and civil penalties established by this section, the commission may recommend that disciplinary action against any member of the General Assembly may be administered by the house of the General Assembly of which he is a member, in accordance with Section 39 of the Kentucky Constitution.

(10) Any person who knowingly files with the commission a false complaint of misconduct on the part of any legislator or other person shall be guilty of a Class A misdemeanor.

EXECUTIVE AGENCY LOBBYING

SECTION 45. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

As used in Sections 45 to 55 of this Act:

(1) "Person" and "compensation" have the same meanings as in Section 2 of this Act;

(2) (a) "Expenditure" means any of the following that is made to, or for the benefit of an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or a member of the staff of any of the officials listed in this subsection:

1. A payment, distribution, loan, advance, deposit, reimbursement, or gift of money, real estate, or anything of value, including, but not limited to, food and beverages, entertainment, lodging, transportation, or honoraria;

2. A contract, promise, or agreement to make an expenditure; or

3. The purchase, sale, or gift of services or any other thing of value.

(b) "Expenditure" does not include a contribution, gift, or grant to a foundation or other charitable organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. "Expenditure" does not include the purchase, sale, or gift of services or any other thing of value that is available to the general public on the same terms as it is available to the persons listed in this subsection;

(3) "Employer" means any person who engages an executive agency lobbyist;

(4) "Engage" means to make any arrangement, and "engagement" means arrangement, whereby an individual is employed or retained for compensation to act for or on behalf of an employer to influence executive agency decisions or to conduct any executive agency lobbying activity;

(5) (a) "Financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, or the ownership, or part ownership in common of any real or personal property or any commercial or business enterprise of whatever form or nature between the following:

1. An executive agency lobbyist, his employer, or a member of the immediate family of the executive agency lobbyist or his employer; and

2. Any elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of the officials listed in this subsection.

(b) "Financial transaction" does not include any transaction or activity described in paragraph (a) of this subsection if it is available to the general public on the same terms;

(6) "Executive agency" means the office of an elected executive official, a cabinet listed in KRS 12.250, or any other state agency, department, board, or commission controlled or directed by an elected executive official or otherwise subject to his authority. "Executive agency" does not include any court or the General Assembly;

(7) "Executive agency decision" means a decision of an executive agency regarding the expenditure of funds of the state or of an executive agency with respect to the award of a contract, grant, lease, or other financial arrangement under which those funds are distributed or allocated;

(8) (a) "Executive agency lobbyist" means any person engaged to influence executive agency decisions or to conduct executive agency lobbying activity as one of his main purposes on a regular and substantial basis.

(b) "Executive agency lobbyist" does not include an elected or appointed officer or employee of a federal or state agency, state college, state university, or political subdivision who attempts to influence or affect executive agency decisions in his fiduciary capacity as a representative of his agency, college, university, or political subdivision;

(9) (a) "Executive agency lobbying activity" means contacts made to promote, oppose, or otherwise influence the outcome of an executive agency decision by direct communication with an elected executive official, the secretary of any cabinet listed in KRS 12.250, any executive agency official, or a member of the staff of any one of the officials listed in this subsection.

(b) "Executive agency lobbying activity" does not include any of the following:

1. The action of any person having a direct interest in executive agency decisions, if the person acting under Section 1 of the Kentucky Constitution, assembles together with other persons for their common good, petitions any person listed in paragraph (a) of this subsection for the redress of grievances or other proper purposes;

2. Contacts made for the sole purpose of gathering information contained in a public record; or

3. Appearances before public meetings of executive agencies;

(10) "Executive agency official" means an officer or employee of an executive agency whose principal duties are to formulate policy or to participate directly or indirectly in the preparation, review, or award of contracts, grants, leases, or other financial arrangements with an executive agency;

(11) "Aggrieved party" means a party entitled to resort to a remedy;

(12) "Elected executive official" means the Governor, Lieutenant Governor, Secretary of State, Auditor of Public Accounts, State Treasurer, Attorney General, Commissioner of Agriculture, and Railroad Commissioners; and

(13) "Staff" means any officer or employee of an executive agency whose official duties are to formulate policy and who exercises administrative or supervisory authority or who authorizes the expenditure of state funds.

SECTION 46. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) An executive agency lobbyist or employer shall not knowingly fail to register as required under Section 47 of this Act;

(2) An executive agency lobbyist or employer shall not knowingly fail to keep a receipt or maintain a record that Section 48 of this Act requires the person to keep or maintain.

(3) An executive agency lobbyist or employer shall not knowingly fail to file a statement that Section 48 or 49 of this Act requires the person to file.

SECTION 47. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Each executive agency lobbyist and employer shall file with the commission within ten (10) days following the engagement of an executive agency lobbyist, an initial registration statement showing all of the following:

(a) The name, business address, and occupation of the executive agency lobbyist;

(b) The name and business address of the employer or of the real party in interest on whose behalf the executive agency lobbyist is acting, if it is different from the employer. However, if a trade association or other charitable or fraternal organization that is exempt from federal income taxation under Section 501(c) of the federal Internal Revenue Code is the employer, the statement need not list the names and addresses of every member of the association or organization, so long as the association or organization itself is listed;

(c) A brief description of the executive agency decision to which the engagement relates;

(d) The name of the executive agency or agencies to which the engagement relates; and

(e) Certification by the employer and legislative agent that the information contained in the registration statement is complete and accurate.

(2) In addition to the initial registration statement required by subsection (1) of this section, each executive agency lobbyist and employer shall file with the commission, not later than the last day of January, May, and September of each year, an updated registration statement that confirms the continuing existence of each engagement described in an initial registration statement and that lists the specific executive agency decisions the lobbyist sought to influence under the engagement during the period covered by the updated statement, and with it any statement of expenditures required to be filed by Section 48 of this Act and any details of financial transaction required to be filed by Section 49 of this Act.

(3) If an executive agency lobbyist is engaged by more than one employer, the lobbyist shall file a separate initial and updated registration statement for each engagement. If an employer engages more than one executive agency lobbyist, the employer shall file only one updated registration statement under subsection (2) of this section, which shall contain the information required by subsection (2) of this section regarding all executive agency lobbyists engaged by the employer.

(4) (a) A change in any information required by subsection (1)(a), (b), (c), (d), or (2) of this section shall be reflected in the next updated registration statement filed under subsection (2) of this section.

(b) Within thirty (30) days following the termination of an engagement, the executive agency lobbyist who was employed under the engagement shall file written notice of the termination with the commission.

(5) No registration fee shall be charged for filing a registration statement.

(6) Upon registration pursuant to this section, an executive agency lobbyist shall be issued a card by the commission showing the lobbyist is registered. The registration card shall be valid from the date of its issuance through the thirty-first day of January of the year following the year in which the initial registration was filed.

(7) The commission shall review each registration statement filed with the commission under this section to determine if the statement contains all of the required information. If the commission determines the registration statement does not contain all of the required information or that an executive agency lobbyist or employer has failed to file a registration statement, the commission shall send written notification of the deficiency by certified mail to the person who filed the registration statement or to the person who failed to file the registration statement regarding the failure. Any person so notified by the commission

shall, not later than fifteen (15) days after receiving the notice, file a registration statement or an amended registration statement that includes all of the required information. If any person who receives a notice under this subsection fails to file a registration statement or an amended registration statement within the fifteen (15) day period, the commission may initiate an investigation of the person's failure to file. If the commission initiates an investigation pursuant to this section, the commission shall also notify each elected executive official and the secretary of each cabinet listed in KRS 12.250, of the pending investigation.

(8) On or before the fifteenth day of March of each year, the commission shall, in the manner and form the commission determines, publish a report containing statistical information on the registration statements filed under this section during the preceding year.

(9) If an employer who engages an executive agency lobbyist is the recipient of a contract, grant, lease, or other financial arrangement pursuant to which funds of the state or of an executive agency are distributed or allocated, the executive agency or any aggrieved party may consider the failure of the employer or the executive agency lobbyist to comply with this section as a breach of a material condition of the contract, grant, lease, or other financial arrangement.

(10) Executive agency officials may require certification from any person seeking the award of a contract, grant, lease, or financial arrangement that the person and his employer are in compliance with this section.

SECTION 48. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Each executive agency lobbyist and each employer shall file with the commission, with the updated registration statement required by subsection (2) of Section 47 of this Act, a statement of expenditures as specified in subsections (2) and (3) of this section. An executive agency lobbyist shall file a separate statement of expenditures under this section for each employer engaging him.

(2) (a) In addition to the information required by subsection (2)(b) of this section, a statement filed by an executive agency lobbyist shall show the total amount of expenditures made by the lobbyist during the reporting period covered by the statement by the executive agency lobbyist.

(b) 1. If, during a calendar year, the employer or any executive agency lobbyist he engaged made expenditures to, at the request of, for the benefit of, or on behalf of a particular elected executive official, the secretary of a cabinet listed in KRS 12.250 a particular executive agency official, or a particular member of the staff of any of those officials, the employer or executive agency lobbyist also shall state the name of the official or employee to whom, at whose request, for whose benefit, or on whose behalf the expenditures were made, the total amount of the expenditures made, a brief description of the expenditures made, the approximate date the expenditures were made.

2. Expenditures required to be reported under this subsection shall first be reported on the expenditure statement for the reporting period that includes the date on which the expenditure was made. Subsequent expenditures made during the remainder of the calendar year in excess of that amount shall be reported on the expenditure statement for the reporting period in which the subsequent expenditures were made.

(3) (a) In addition to the information required by subsection (2)(b) of this section, a statement filed by an employer shall show the total amount of expenditures made by the employer during the period covered by the statement. As used in this subsection, "expenditures" does not include the expenses of maintaining office facilities or support services for executive agency lobbyists.

(b) An employer shall not be required to show any expenditure on a statement filed under this subsection if the expenditure is reported on a statement filed under subsection (2)(a) or (b) of this section by executive agency lobbyist engaged by the employer.

(4) Any statement required to be filed under this section shall be filed at the times specified in Section 47 of this Act. Each statement shall cover expenditures made during the four-calendar-month period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(5) If it is impractical or impossible for an executive agency lobbyist or employer to determine exact dollar amounts or values of expenditures, reporting of good faith estimates, based on reasonable accounting procedures, constitutes compliance with this section.

(6) Executive agency lobbyists and employers shall retain receipts or maintain records for all expenditures that are required to be reported pursuant to this section. These receipts or records shall be maintained for a period ending on the thirty-first day of December of the second calendar year after the year in which the expenditure was made.

(7) At least ten (10) days before the date on which the statement is filed, each employer or executive agency lobbyist who is required to file an expenditure statement under subsection (2)(b) of this section shall deliver a copy of the statement, or the portion showing the expenditure, to the official or employee who is listed in the statement as having received the expenditure or on whose behalf it was made.

SECTION 49. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Any executive agency lobbyist who has had any financial transaction with, or for the benefit of, an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of those officials shall describe the details of the transaction, including the name of the official or employee, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the updated registration statement required by subsection (2) of Section 47 of this Act. Each statement shall describe each financial transaction that occurred during the four calendar month period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(2) Except as provided in subsection (4) of this section, any employer who has had any financial transaction with or for the benefit of an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of those officials shall describe the details of the transaction, including the name of the official or employee, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the updated registration statement required by subsection (2) of Section 47 of this Act. The statement shall be filed at the times specified in Section 47 of this Act. Each statement shall describe each financial transaction that occurred during the four calendar month period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(3) At least ten (10) days before the date on which the statement is filed, each employer or executive agency lobbyist who is required to file a statement describing a financial transaction under this section shall deliver a copy of the statement to the official or employee with whom or for whose benefit the transaction was made.

(4) An employer shall not be required to file any statement under this section or to deliver a copy of the statement to an official or employee with whom or for whose benefit the transaction was made if the financial transaction to which the statement pertains is reported by an executive agency lobbyist engaged by the employer.

SECTION 50. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) If a dispute arises between an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of those officials and an employer or executive agency lobbyist with respect to an expenditure or financial transaction alleged in a statement to be filed under Section 48 or 49 of this Act, the official or employee, employer, or executive agency lobbyist may file a complaint with the commission. The commission shall investigate the complaint.

(2) The complaint shall be filed at least three (3) days prior to the time the statement is required to be filed with the commission. The time for filing a disputed expenditure or financial transaction in any statement of expenditures or the details of a financial transaction shall be extended pending the final decision of the commission. This extension does not extend the time for filing the nondisputed portions of either type of statement. The commission shall notify the parties of its final decision by certified mail. If the commission decides the disputed expenditure or financial transaction should be reported, the employer or executive agency lobbyist shall include the matter in an amended statement and file the amended statement not later than ten (10) days after receiving notice of the decision of the commission by certified mail.

(3) An employer or executive agency lobbyist who files a false statement of expenditures or details of a financial transaction is liable in a civil action to any official or employee who sustains damage as a result of the filing or publication of the statement.

SECTION 51. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Sections 47 and 48 of this Act do not apply to efforts to influence executive agency decisions or conduct executive agency lobbying activity by any of the following:

(a) Appearances at public hearings of the committees or interim committees of the General Assembly, at court proceedings, at rule-making or adjudication proceedings, or at other public meetings;

(b) News, editorial, and advertising statements published in newspapers, journals, or magazines, or broadcast over radio or television;

(c) The gathering and furnishing of information and news by bona fide reporters, correspondents, or news bureaus to news media described in subsection (1)(b) of this section; or

(d) Publications primarily designed for and distributed to members of associations or charitable or fraternal nonprofit corporations.

(2) Nothing in Sections 45 to 55 of this Act requires the reporting of, or prohibits an elected executive official from soliciting or accepting, a contribution from or an expenditure by any person if the contribution or expenditure is reported in accordance with KRS Chapter 121 or 121A.

SECTION 52. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of this section, no person shall engage any persons to influence executive agency decisions or conduct executive agency lobbying activity for compensation that is contingent in any way on the outcome of an executive agency decision and no person shall accept any engagement to influence executive agency decisions or conduct executive agency lobbying activity for compensation that is contingent in any way on the outcome of an executive agency decision.

(2) Subsection (1) of this section does not prohibit, and shall not be construed to prohibit, any person from compensating his sales employees pursuant to an incentive compensation plan, such as commission sales, if the incentive compensation plan is the same plan used to compensate similarly situated sales employees who are not executive agency lobbyists.

SECTION 53. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) The commission shall keep on file the statements required by Sections 47, 48, and 49 of this Act. These statements are public records and open to public inspection, and the commission shall computerize them so the information contained in them is readily accessible to the general public. The commission shall provide copies of the statements to the public on request and may charge a reasonable fee not to exceed the cost of copying and delivering the statement.

(2) Not later than the last day of February and October of each year, the commission shall compile from the registration statements filed with it a complete and updated list of registered executive agency lobbyists and their employers, and distribute the list to each elected executive branch official and the secretary of each cabinet listed in KRS 12.250, who shall distribute the list to the appropriate personnel under their jurisdiction. The commission shall provide copies of the list to the public upon request and may charge a reasonable fee not to exceed the cost of copying and delivering the list.

(3) The commission shall maintain a list of all executive agency lobbyists. The commission shall provide copies of the list to the public on request and may charge a reasonable fee not to exceed the cost of copying and delivering the document.

(4) The commission shall prescribe and make available an appropriate form for the filings required by Sections 47, 48, and 49 of this Act. The form shall contain the following notice in boldface type: "ANY PERSON WHO KNOWINGLY FILES A FALSE STATEMENT IS IN VIOLATION OF STATE LAW AND SUBJECT TO FINES AND OTHER PENALTIES."

(5) Any rules adopted by the commission to implement Sections 45 to 55 of the this Act shall be adopted by administrative regulations promulgated in accordance with KRS Chapter 13A. The commission may promulgate administrative regulations to increase the amounts specified in subsection (2) of Section 48 of this Act to reflect inflation. Any increase shall be set forth on the form described in subsection (4) of this section.

(6) The commission shall publish a handbook that explains in clear and concise language the provisions of Sections 45 to 55 of this Act and make it available free of charge to executive agency lobbyists, employers, and any other interested persons.

SECTION 54. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

The Attorney General and any assistant or special counsel designated by him may investigate compliance with Sections 46 to 50 of this Act in connection with statements required to be filed under these sections and, if there is an apparent criminal violation, shall report his findings to the Commonwealth's Attorney of Franklin County, who shall institute appropriate proceedings.

Section 55. KRS 11A.990 is amended to read as follows:

(1) Any person who violates KRS 11A.040 ***or Section 52(1) of this Act*** shall be guilty of a Class D felony. In addition:

(a) The judgment of conviction for a violation of KRS 11A.040(2) shall recite that the offender is disqualified to hold office thereafter; and

(b) Any person who violates KRS 11A.040(1) to (7) shall be judged to have forfeited any employment, or constitutional or statutory office he holds, provisions of KRS Chapter 18A to the contrary notwithstanding.

(2) Any officer and public servant required to file a statement of financial disclosure pursuant to KRS 11A.050 who does not file the statement by a date specified in that section shall have his salary withheld from the first day of noncompliance until he shall have completed the action required by law. The amount withheld shall be deducted from his overall pay and allowances and shall not be recoverable pursuant to Section 235 of the Constitution of Kentucky.

(3) If any executive agency lobbyist or employer violates Section 46(1), (2), or (3) of this Act, he shall for the first violation be subject to civil penalties assessed by the commission, which may include, but not be limited to, suspension or revocation of the registration of the violator. For the second and each subsequent violation, he shall be guilty of a Class D felony.

(4)[~~(3)~~] Any person who ***knowingly*** [~~maliciously~~] files with the commission a false charge of misconduct on the part of any public servant or other person shall be fined not to exceed five thousand dollars ($5,000), or imprisoned in a county jail for a term not to exceed one (1) year, or both.

(5)[~~(4)~~] Prosecution for violation of any provision of KRS 11A.040 shall not be commenced after two (2) years have elapsed from the date of the violation.

ELECTION FINANCE

Section 56. KRS 121.120 is amended to read as follows:

(1) The registry may:

(a) Require by special or general orders, any person to submit, under oath, any written reports and answers to questions as the registry may prescribe;

(b) Administer oaths or affirmations;

(c) Require by subpoena, signed by the chairman, the attendance and testimony of witnesses and the production of all documentary evidence, excluding individual and business income tax records, relating to the execution of its duties;

(d) In any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the registry and has the power to administer oaths and, in those instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (c);

(e) Initiate, through civil actions for injunctive, declaratory, or other appropriate relief, defend, or appeal any civil action in the name of the registry to enforce the provisions of this chapter through its legal counsel;

(f) Render advisory opinions under KRS 121.135;

(g) Promulgate administrative regulations necessary to carry out the provisions of this chapter;

(h) Conduct investigations and hearings expeditiously, to encourage voluntary compliance, and report apparent campaign finance law violations to the appropriate law enforcement authorities; and

(i) Petition any court of competent jurisdiction to issue an order requiring compliance with an order or subpoena issued by the registry. Any failure to obey the order of the court may be punished by the court as contempt.

(2) No person shall be subject to civil liability to any person other than the registry or the Commonwealth for disclosing information at the request of the registry.

(3) The registry may appoint a full-time executive director, legal counsel and an accountant for auditing purposes, all of whom shall serve at the pleasure of the registry. The registry may also appoint such other employees as are necessary to carry out the purposes of this chapter. All requests for personnel appointments shall be forwarded by the registry directly to the commissioner of the Department of Personnel and shall be subject to his review and certification only.

(4) The registry shall adopt official forms and perform other duties necessary to implement the provisions of this chapter and KRS Chapter 121A. Without limiting the generality of the foregoing, the registry shall:

(a) Develop prescribed forms for the making of the required reports;

(b) Prepare and publish a manual for all candidates, slates of candidates, and committees, describing the requirements of the law, including uniform methods of bookkeeping and reporting, requirements as to reporting dates, and the length of time that candidates, slates of candidates, and committees are required to keep any records pursuant to the provisions of this chapter and KRS Chapter 121A;

(c) Develop a filing, coding, and cross-indexing system;

(d) Make each report filed available for public inspection and copying during regular office hours at the expense of any person requesting copies of them;

(e) Preserve all reports for at least six (6) years from the date of receipt. Duly certified reports shall be admissible as evidence in any court in the Commonwealth;

(f) Prepare and make available for public inspection a summary of all reports grouped according to candidates, slates of candidates, committees, contributing organizations, and parties, containing the total receipts and expenditures, and the date, name, address, occupation and employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and amount contributed by each contributor, listed alphabetically, shown to have contributed ***more than two*** [~~in excess of three~~] hundred dollars ***($200)*** [~~($300)~~] to candidates and [~~in excess of one hundred dollars ($100) to~~] slates of candidates;

(g) Prepare and publish an annual report with cumulative compilations named in paragraph (f) of this subsection;

(h) Distribute upon request, for a nominal fee, copies of all summaries and reports;

(i) Determine whether the required reports have been filed and if so, whether they conform with the requirements of this chapter and KRS Chapter 121A; give notice to delinquents to correct or explain defections; issue an order, if appropriate, as provided in KRS 121.140; and make public the fact that a violation has occurred and the nature thereof;

(j) Conduct random audits of receipts and expenditures of candidates running for city, county, urban-county government, charter county government, and district offices. When the registry audits the records of any selected candidate, it shall also audit the records of all other candidates running for the same office in the selected city, county, urban-county government, charter county government, or district office;

(k) Conduct audits of receipts and expenditures of all candidates or slates of candidates running for statewide office;

(l) Require that candidates and slates of candidates shall maintain their records for a period of four (4) years from the date of the regular election in their respective political races;

(m) Initiate investigations and make investigations with respect to reports upon complaint by any person and initiate proceedings on its own motion;

(n) Forward to the Attorney General any violations of this chapter and KRS Chapter 121A which may become the subject of civil or criminal prosecution; and

(o) Direct and administer the provisions of KRS Chapter 121A.

(5) All policy and enforcement decisions concerning the regulation of campaign finance shall be the ultimate responsibility of the registry. No appointed or elected state officeholder or any other person shall, directly or indirectly, attempt to secure or create privileges, exemptions, or advantages for himself or others in derogation of the public interest at large in a manner that seeks to leave any registry member or employee

charged with the enforcement of the campaign finance laws no alternative but to comply with the wishes of the officeholder or person. Registry members and employees shall be free of obligation or the appearance of obligation to any interest other than the fair and efficient enforcement of the campaign finance laws and administrative regulations. It shall not be considered a violation of this subsection for an officeholder or other person to seek remedies in a court of law to any policy or enforcement decision he considers to be an abridgement of his legal rights.

Section 57. KRS 121.150 is amended to read as follows:

(1) No contribution of money or other thing of value, nor obligation therefor, shall be made or received, and no expenditure of money or other thing of value shall be made or incurred, directly or indirectly, other than an "independent expenditure," to support inauguration activities or to support or defeat a candidate, slate of candidates, constitutional amendment, or public question which will appear on the ballot in an election, except through the duly appointed campaign manager, or campaign treasurer of the candidate, slate of candidates, or registered committee. As used in this section, "independent expenditure" means one made for a communication which expressly advocates the election or defeat of a clearly identified candidate or slate of candidates, or the passage or defeat of a constitutional amendment or public question which will appear on the ballot and which is not made with any direct or indirect cooperation, consent, request, suggestion, or consultation involving a candidate, slate of candidates, campaign committee, political issues committee, or agent. Any person making an "independent expenditure," as defined in this subsection, shall report these expenditures when the expenditures exceed five hundred dollars ($500) in the aggregate in any one (1) election, on forms provided by the registry.

(2) Except as provided in KRS 121.180(10), the solicitation from and contributions by candidates, slates of candidates, campaign committees, political issues committees, permanent committees, and party executive committees to any religious, charitable, civic, eleemosynary, or other causes or organizations established primarily for the public good is expressly prohibited; except that it shall not be construed as a violation of this section for a candidate or slate of candidates to continue regular personal contributions to religious, civic, or charitable groups.

(3) No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf, shall accept any anonymous contribution in excess of fifty dollars ($50), and all anonymous contributions in excess of fifty dollars ($50) shall be returned to the donor, if the donor can be determined. If no donor is found, the contribution shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020. No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf shall accept anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate in any one (1) election. Anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate which are received in any one (1) election shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020.

(4) No candidate, committee, or contributing organization, nor anyone on their behalf, shall accept a cash contribution in excess of ***fifty dollars ($50)*** [~~one hundred dollars ($100)~~].

(5) No candidate, slate of candidates, committee, contributing organization, nor anyone on their behalf, shall accept any contribution in excess of one hundred dollars ($100) from any person who shall not become eighteen (18) years of age on or before the day of the next general election.

(6) No candidate, campaign committee, political issues committee, nor anyone acting on their behalf, shall accept a contribution of more than five hundred dollars ($500) from any person, permanent committee, or contributing organization in any one (1) election; except that no candidate for school board, his campaign committee, nor anyone acting on their behalf shall accept a contribution of more than one hundred dollars ($100) from any person or more than two hundred dollars ($200) from any permanent committee or contributing organization in any one (1) election. No person, permanent committee, or contributing organization shall contribute more than five hundred dollars ($500) to any one (1) candidate, campaign committee, political issues committee, nor anyone acting on their behalf, in any one (1) election; except that no person shall contribute more than one hundred dollars ($100) and no permanent committee or contributing organization shall contribute more than two hundred dollars ($200) to any one (1) school board candidate, his campaign committee, nor anyone acting on their behalf, in any one (1) election. Limits on contributions for slates of candidates for Governor and Lieutenant Governor which may be made or received in any one (1) election shall be governed by the provisions of KRS 121A.050.

(7) [~~Except for permanent committees organized as of January 1, 1988,~~] Permanent committees or contributing organizations affiliated by bylaw structure or by registration, as determined by the Registry of Election Finance, shall be considered as one (1) committee for purposes of applying the contribution limits of subsection (6) of this section.

(8) No permanent committee shall contribute funds to another permanent committee for the purpose of circumventing contribution limits of subsection (6) of this section.

(9) No person shall contribute funds to a permanent committee, political issues committee, or contributing organization for the purpose of circumventing the contribution limits of subsection (6) of this section.

(10) No person shall contribute more than four thousand dollars ($4,000) to all permanent committees and contributing organizations in any one (1) year ***nor more than one thousand dollars ($1,000) to a single permanent committee or contributing organization in any one (1) year.***

(11) No person shall contribute more than two thousand five hundred dollars ($2,500) to the state executive committee of a political party and its subdivisions and affiliates in any one (1) year. Contributions a person makes to a political party in excess of one thousand dollars ($1,000) in any one (1) year shall be deposited in a separate account which the state executive committee maintains for the exclusive purpose of paying administrative costs incurred by the political party.

(12) No person shall make a payment, distribution, loan, advance, deposit, or gift of money to another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf. No candidate, committee, contributing organization, nor anyone on their behalf shall accept a contribution made by one (1) person who has received a payment, distribution, loan, advance,deposit or gift of money from another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf.

(13) No candidates running as a slate for the offices of Governor and Lieutenant Governor shall make combined total personal loans to their committee in excess of fifty thousand dollars ($50,000) in any one (1) election. No candidate for any other statewide elected state office shall lend to his committee any amount in excess of twenty-five thousand dollars ($25,000) in any one (1) election. In campaigning for all other offices, no candidate shall lend to his committee more than ten thousand dollars ($10,000) in any one (1) election.

(14) No candidate or slate of candidates for nomination to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for primary election expenses after the date of the primary. No person other than the candidate or slate of candidates shall contribute for primary election expenses after the date of the primary.

(15) No slate of candidates for nomination for election to the offices of Governor and Lieutenant Governor, nor its campaign committees, nor anyone on their behalf, shall solicit or accept contributions for runoff primary election expenses after the date of the runoff primary. No person other than the slated candidates shall contribute for runoff primary election expenses after the date of the runoff primary.

(16) No candidate or slate of candidates for any state, county, city, or district office at a regular election, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for regular election expenses after the date of the regular election. No person other than the candidate or slate of candidates shall contribute for regular election expenses after the date of the regular election.

(17) No candidate or slate of candidates for nomination or election to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for special election expenses after the date of the special election. No person other than the candidate or slate of candidates shall contribute for special election expenses after the date of the special election.

(18) Nothing in subsections (14) to (17) of this section shall be deemed to prohibit a slate of candidates from receiving transfers from the election campaign fund established by KRS 121A.020 for which it is eligible for matches of qualifying contributions received prior to the date of the election but for which no transfer from the fund had been made prior to the date of the election.

(19) The provisions of subsections (14) and (16) of this section shall apply only to those candidates in a primary or regular election which shall be conducted subsequent to January 1, 1989. The provisions of subsections (15) and (17) of this section shall apply only to those candidates or slates of candidates in a runoff primary or special election which shall be conducted subsequent to January 1, 1993.

(20) No slate of candidates for Governor and Lieutenant Governor or their immediate families shall loan any money, service, or other thing of value to their campaign, and all moneys, services, or other things of value which are loaned shall be deemed a contribution, which may not be recovered by the slate of candidates, except to the extent of a combined total of fifty thousand dollars ($50,000).

(21) No candidate, slate of candidates, committee, except a political issues committee, or contributing organization, nor anyone on their behalf, shall knowingly accept a contribution from a corporation, directly or indirectly.

(22) Nothing in this section shall be construed to restrict the ability of a corporation to administer its permanent committee insofar as its actions can be deemed not to influence an election as prohibited by KRS 121.025.

(23) In addition to the prohibitions set forth in this section, no slate of candidates shall accept any contribution during the thirty (30) days immediately preceding a primary or regular election except as provided in KRS 121A.030(5).

(24) No candidate, slate of candidates, or committee, nor anyone on their behalf, shall solicit a contribution of money or services from a state employee, whether or not the employee is covered by the classified service provisions of KRS Chapter 18A. However, it shall not be a violation of this subsection for a state employee to receive a solicitation directed to him as a registered voter in an identified precinct as part of an overall plan to contact voters not identified as state employees.

(25) A candidate for elective public office, except slates of candidates for Governor and Lieutenant Governor, may accept contributions from permanent committees which, in the aggregate, shall not exceed thirty-five percent (35%) of the total contributions accepted by the candidate in any one (1) election. The percentage of the total contributions accepted by a candidate in an election that is accepted from permanent committees shall be calculated as of the day of the election. Funds in a candidate's campaign account which are carried forward from one (1) election to another shall not be considered in calculating the acceptable percentage of contributions which may be accepted from permanent committees for the election for which the funds are carried forward. A candidate may, without penalty, contribute funds to his campaign account not later than seven (7) days following the election so as not to exceed the permitted percentage of contributions which may be accepted from permanent committees or the candidate may, not later than seven (7) days after the election, refund any excess permanent committee contributions on a pro rata basis to the permanent committees whose contributions are accepted after the aggregate limit has been reached.

Section 58. KRS 121.160 is amended to read as follows:

(1) Each candidate or slate of candidates shall designate a campaign treasurer to act as their agent at the time and at the office with which they file as a candidate or slate of candidates on a duplicate form prescribed and furnished by the registry and until this requirement is met the candidate or slate of candidates shall be listed as their own treasurer and accountable as such. The candidate or slate of candidates may appoint themselves or any registered voter in Kentucky as his campaign treasurer. The office with which the candidate or slate of candidates is required to file shall immediately forward to the registry the duplicate copy of the completed form designating the candidate's or slate's campaign treasurer and shall attach the original to the candidate's or slate's filing papers. The office with which the candidate or slate of candidates files shall promptly notify the registry when a candidate withdraws.

(2) The duties of a campaign treasurer shall be to:

(a) Designate a depository bank for all campaign funds and deposit all contributions in that depository;

(b) Keep detailed and exact accounts of contributions in general and by name, address, age if under legal voting age, the employer of each contributor and the spouse of the contributor, or if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation where the contribution exceeds ***two*** [~~three~~] hundred dollars ***($200)*** [~~($300)~~]; the occupation listed for the contributor shall be specific. A general classification, such as "businessman", shall be insufficient;

(c) Make or authorize all expenditures on behalf of a candidate or slate of candidates. Any expenditure in excess of twenty-five dollars ($25) shall be by check and the treasurer's records shall disclose the name, address, and occupation of every person or firm to whom made, and shall list the date and amount of the expenditure and the treasurer shall keep a receipted bill for each;

(d) Maintain all receipted bills and accounts required by this section for a period of six (6) years from the date he files his last report under KRS 121.180(3)(a); and

(e) Make no payment to any person not directly providing goods or services with the intent to conceal payment to another.

(3) A candidate or slate of candidates may remove a campaign treasurer at any time.

(4) In case of the death, resignation, or removal of a campaign treasurer, the candidate or slate of candidates shall within three (3) days after receiving notice thereof by certified mail, return receipt requested, appoint a successor and shall file his name and address with the registry. The candidate, or slate shall be accountable as their own campaign treasurer if they fail to meet this filing requirement.

(5) A person may serve as campaign treasurer for more than one (1) candidate or slate of candidates, but all reports shall be made separately for each individual candidate or slate.

(6) The candidate or slate of candidates may pay a campaign treasurer a salary for his services which shall be considered a campaign expense and shall comply with the reporting provisions of KRS 121.180 and administrative regulations promulgated by the registry.

Section 59. KRS 121.170 is amended to read as follows:

(1) Any committee organized under any provisions of this chapter shall register with the registry, by filing official notice of intention at the time of organization, giving names, addresses, and positions of the officers of the organization and designating the candidate or candidates, slate of candidates, or question it is organized to support or oppose on forms prescribed by the registry. The name of the committee shall reasonably identify to the public the sponsorship and purpose of the committee. The forms filed with the registry shall require the registrant to clearly identify the specific purpose, sponsorship, and source from which the committee originates; and the registry shall refuse to allow filing by any committee until this requirement has been satisfied.

(2) Any person who acts as a fundraiser by directly soliciting contributions for an election campaign of a candidate or slate of candidates for elected office shall register with the registry when he raises in excess of three thousand dollars ($3,000) in any one (1) election for the campaign committee by filing official notice giving his name, address, occupation, employer or, if he is self-employed, the name under which he is doing business, and all candidates or slates of candidates for whom he is soliciting on forms prescribed by the registry. A registered fundraiser shall comply with the campaign finance reporting requirements of KRS 121.180(3), (4), and (5) and KRS 121A.010(5).

(3) All provisions of KRS 121.160 and 121A.070 governing the duties and responsibilities of a candidate, slate of candidates, or campaign treasurer shall apply to a registered committee, except a federally registered out-of-state permanent committee, and a person acting as a campaign fundraiser.

(4) The chairman of a committee and the campaign treasurer shall be separate persons.

(5) A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry at the time it files its registration papers. A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry no later than the last day of the first calendar quarter following the year in which it registers with the registry and each succeeding year thereafter until the permanent committee terminates. The amount of administrative fees received by the registry from permanent committees shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.

(6) Any federally registered out-of-state permanent committee that contributes to a Kentucky candidate shall:

(a) File with the registry a copy of its federal registration (Federal Election Commission Form 1 - Committee Registration Form);

(b) File with the registry a copy of the Federal Election Commission finance report when a contribution is made to a Kentucky candidate; and

(c) Contribute not more than the maximum amount permitted for a permanent committee to make under Kentucky law to any candidate for any office in this Commonwealth.

(7) Notwithstanding any provision of law to the contrary, a contribution made by a federally registered permanent committee to any candidate for any office in this Commonwealth that complies with the provisions of 2 U.S.C. Sec. 441b, 11 C.F.R. Sec. 104.10, 11 C.F.R. Sec. 106.6, and 11 C.F.R. Sec. 114.1-114.12 regarding limitations on contributions by corporations shall be deemed to comply with the campaign finance laws of this Commonwealth prohibiting corporate contributions to candidates.

(8) The organization, formation, or registration of a permanent committee by or in support of any member of the General Assembly or any member of the leadership of either the House of Representatives or Senate shall be prohibited.

Section 60. KRS 121.180 is amended to read as follows:

(1) (a) Any candidate, slate of candidates, or campaign treasurer, or political issues committee shall be exempt from filing any pre-election finance reports required by subsection (3) of this section or KRS

121A.020(5), whichever is applicable, if the candidate, slate of candidates, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that contributions will not be accepted or expended in excess of three thousand dollars ($3,000) in any one (1) election to further the candidacy or to support or oppose a constitutional amendment or public question which will appear on the ballot. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(b) Any candidate, slate of candidates, campaign treasurer, or political issues committee shall be exempt from filing any campaign finance reports required by ***subsections*** [~~subsection~~] (3) ***and (4)*** of this section or KRS 121A.020(5), whichever is applicable, if the candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that currently no contributions have been received and that contributions will not be accepted or expended in excess of two hundred fifty dollars ($250) in any one (1) election. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(c) For a primary election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than the deadline for filing nomination papers and shall be bound by its terms unless it is rescinded in writing not later than fifteen (15) days after the filing deadline. For a runoff primary election, a slate of candidates shall file its request for exemption not later than five (5) days after the date of the preceding primary election and it shall be bound by its terms unless it rescinds it in writing not later than ten (10) days after the date of the preceding primary election. For a regular election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than ten (10) days after the date of the preceding primary election, or runoff primary, if one is held, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date of the primary election, or runoff primary, if one is held. For a special election, a candidate, slate of candidates, or campaign treasurer shall file a request for exemption not later than ten (10) days after being nominated for a special election, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date on which the nomination for a special election is made.

(d) Any candidate, slate of candidates, campaign treasurer, or political issues committee that is exempt from filing campaign finance reports pursuant to paragraph (a) or (b) of this subsection that accepts contributions or expends, or whose campaign treasurer accepts contributions or expends, in excess of the applicable limit in any one (1) election without rescinding the request for exemption in a timely manner shall comply with all applicable reporting requirements and, in addition to other penalties prescribed by law, in the case of a candidate or slate of candidates, upon a final determination that a violation occurred, be ineligible as a candidate or slate of candidates for the office sought, the nomination or election shall be void, and a vacancy shall be declared.

(2) State and county executive committees shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source since the date of the last report, including the full name and address of each contributor, and the age if less than the legal voting age, the employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing ***more than two*** [~~in excess of three~~] hundred dollars ***($200)*** [~~($300)~~], the amount contributed by each and the date of the contribution, whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name and address of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. This report shall be made to the registry within thirty (30) days after the primary, runoff primary if slates of candidates of that party participate, and regular elections. If an individual gives a reportable contribution to a state or county executive committee with the intention that the contribution or a portion of the contribution go to a candidate or slate of candidates, the name of the contributor and the sum shall be indicated on the committee report. The receipts and expenditures of funds remitted to each political party under KRS 141.071 to 141.073 shall be separately accounted for and reported to the registry in the manner required by KRS 121.230. The separate report may be made a separate section within the report required, by this subsection, to be submitted within thirty (30) days after each regular election.

(3) Except for candidates or slates of candidates, campaign treasurers, or political issues committees exempted from reporting requirements pursuant to subsection (1) of this section, each campaign treasurer

of a candidate, slate of candidates, campaign committee, or political issues committee who accepts contributions or expends, expects to accept contributions or expend, or contracts to expend more than three thousand dollars ($3,000) in any one (1) election, and each fundraiser who secures contributions in excess of three thousand dollars ($3,000) in any one (1) election, shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source, since the date of the last report, including the full name and address of each contributor, and the age if less than the legal voting age, the employer of each contributor and the spouse of the contributor or, if the contributor or spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing ***more than two*** [~~in excess of three~~] hundred dollars ***($200)*** [~~($300)~~], to a candidate***, slate of candidates,*** or political issues committee***,*** [~~or in excess of one hundred dollars ($100) to a slate of candidates~~] the amount contributed by each and the date of the contribution, whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name, address, and occupation of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. Reports of all candidates, campaign committees, political issues committees, and registered fundraisers shall be made as follows:

(a) Candidates as defined in KRS 121.015(8), campaign committees, political issues committees, and fundraisers which register in the year before the year an election in which the candidate or public question shall appear on the ballot, shall file financial reports with the registry at the end of the first calendar quarter after the person becomes a candidate or following registration of the committee or fundraiser, and each calendar quarter thereafter, ending with the last calendar quarter of that year. Candidates, committees, and registered fundraisers shall make all reports required by this section during the year in which the election takes place;

(b) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the thirty-second day preceding an election, including all previous contributions and expenditures;

(c) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the twelfth day preceding the date of the election; and

(d) All reports to the registry shall be in the hands of the registry or postmarked within five (5) days after each filing deadline.

(4) All candidates, regardless of funds received or expended, campaign committees, political issues committees, and registered fundraisers shall make post-election reports within thirty (30) daysafter the election.

(5) In making the preceding reports, the total gross receipts from each of the following categories shall be listed: proceeds from the sale of tickets for events such as testimonial affairs, dinners, luncheons, rallies, and similar fundraising events, mass collections made at the events, and sales of items such as campaign pins, buttons, hats, ties, literature, and similar materials. When any individual purchase or the aggregate purchases of any item enumerated above exceeds one hundred dollars ($100), the purchaser shall be identified by name, address, age, if less than the legal voting age, occupation, and employer and the employer of the spouse of the purchaser or, if the purchaser or the spouse of the purchaser is self-employed, the name under which he is doing business, and the amount purchased shall be reported to the registry. The lists shall be maintained by the campaign treasurer, political issues committee treasurer, registered fundraiser, or other sponsor for inspection by the registry for six (6) years following the date of the election.

(6) (a) Each permanent committee, inaugural committee, or contributing organization shall make a full report, upon a prescribed form, to the registry of all money, loans, or other things of value, received by it from any source, since the date of the last report, including the full name and address of each contributor, and the age if under the legal voting age, employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing ***more than two*** [~~in excess of three~~] hundred dollars ***($200)*** [~~($300)~~] and if in cash it shall be so stated. An aggregate amount of cash contributions shall also be reported, the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred or made, including "independent expenditures" as defined in KRS 121.150(1). This report shall be made by a permanent committee, inaugural committee, or contributing organization to the registry on the last day of the first calendar quarter following the registration of the committee with the registry and on the last day of each succeeding calendar quarter until such time as the committee terminates. A contributing organization shall file a report of contributions received and expenditures made on forms prescribed by the registry not later than the last day of each calendar quarter in which contributions are received or expenditures are made. All reports to the registry shall be postmarked or received not later than five (5) days after each filing deadline; and

(b) A permanent committee shall pay an administrative fee to the registry in an amount equal to five percent (5%) of the expenditures, including independent expenditures, the permanent committee makes in support of or opposition to all candidates or slates of candidates for office. The payment for the administrative fee shall accompany each report a permanent committee makes to the registry which documents expenditures in support of or defeat of any candidate or slate of candidates during the reporting period covered by the report. The amount of administrative fees received by the registry from permanent committees for each reporting period shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.

(7) If the final statement of a candidate, campaign committee, or political issues committee shows an unexpended balance of contributions, continuing debts and obligations, or an expenditure deficit, the campaign treasurer shall file with the registry a supplemental statement of contributions and expenditures not more than thirty (30) days after the deadline for filing the final statement. Subsequent supplemental statements shall be filed semiannually, to be in the hands of the registry or postmarked within ten (10) days after April 15 and October 15, until the account shows no unexpended balance, continuing debts and obligations, expenditures, or deficit. All contributions shall be subject to KRS 121.150.

(8) All reports filed under the provisions of this chapter shall be a matter of public record open to inspection by any member of the public immediately upon receipt of the report by the registry. A duplicate copy of each report filed with the registry shall be filed by the candidate, slate of candidates, or committee with the county clerk in the county in which the candidate or persons running as a slate of candidates reside at the same time. County clerks shall maintain these reports for public inspection for a period of one (1) year from the date the last report is required to be filed.

(9) A candidate or slate of candidates is relieved of the duty personally to file reports and keep records of receipts and expenditures if the candidate or slate states in writing or on forms provided by the registry that:

(a) Within five (5) business days after personally receiving any contributions, the candidate or slate of candidates shall surrender possession of the contributions to the treasurer of their principal campaign committee without expending any of the proceeds thereof. No contributions shall be commingled with the candidate's or slated candidates' personal funds or accounts. Contributions received by check, money order, or other written instrument shall be endorsed directly to the campaign committee and shall not be cashed or redeemed by the candidate;

(b) The candidate or slate of candidates shall not make any unreimbursed expenditure for the campaign, except that this paragraph does not preclude a candidate or slate from making an expenditure from personal funds to the designated principal campaign committee, which shall be reported by the committee as a contribution received; and

(c) The waiver shall continue in effect as long as the candidate or slate of candidates complies with the conditions under which it was granted.

(10) No candidate, slate of candidates, campaign committee, political issues committee, or contributing organization shall use or permit the use of contributions or funds solicited or received for the person or in support of or opposition to a public issue which will appear on the ballot to further the candidacy of the person for a different public office, to support or oppose a different public issue, or to further the candidacy of any other person for public office; except that nothing in this subsection shall be deemed to prohibit a candidate or slate of candidates from using funds in the campaign account to purchase admission tickets for any fundraising event or testimonial affair for another candidate or slate of candidates if the amount of the purchase does not exceed one hundred dollars ($100) per event or affair. Any funds or contributions solicited or received by or on behalf of a candidate, slate of candidates, or any committee, which has been organized in whole or in part to further any candidacy for the same person or to support or oppose the same public issue, shall be deemed to have been solicited or received for the current candidacy or for the election on the public issue if the funds or contributions are solicited or received at any time prior to the regular election for which the candidate, slate of candidates, or public issue is on the ballot. Except as provided in KRS 121A.080(6), any unexpended balance of funds not otherwise obligated for the payment of expenses incurred to further a political issue or the candidacy of a person shall, in whole or in part, at the election of the candidate or committee, escheat to the State Treasury, be returned pro rata to all contributors, or, in the case of a partisan candidate, be transferred to the state or county executive committee of the political party of which the candidate is a member except that a candidate, committee, or an official may retain the funds to further the same public issue or to seek election to the same office or may donate the funds to any charitable, nonprofit, or educational institution recognized under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and any successor thereto.

(11) Any publisher of newspapers or magazines, owner or lessor of billboards, a radio or television station or network, or any other person, company, corporation, or business organization offering its communications or advertising services for hire to the public who receives funds for the purchase of advertising services or material shall file with the registry a copy of the material or communication purchased by any person to support or oppose any slate of candidates or committee, which shall be provided by the purchaser for filing with the registry, and a copy of the receipt for the funds paid, and shall identify for the registry the person purchasing the services or material, and the source of the funds used to make the purchase if different than the purchaser. The information shall be reported to the registry not more than thirty (30) days after receiving the initial advertising or communications purchase for an election and every thirty (30) days thereafter if purchases are made in the ensuing period; except that reports of purchases shall be made to the registry every fourteen (14) days during the fifty-six (56) days before the primary and regular elections for Governor and Lieutenant Governor. The provisions of this subsection shall apply only to purchases of advertising services or material to support or oppose a slate of candidates for election to the offices of Governor and Lieutenant Governor.

Section 61. KRS 121.220 is amended to read as follows:

(1) Each candidate, slate of candidates, and each committee shall, before receiving any contributions or expending any money, designate one (1) primary campaign depository for the purpose of depositing all contributions received and disbursing all expenditures made by the candidate, slate of candidates, or committee. The candidate, slate of candidates, or committee may also designate one (1) secondary depository in each county in which an election is held and in which the candidate, slate of candidates, or committee participates. Deputy campaign treasurers may make expenditures from secondary depositories but only from moneys which first have been deposited in the primary campaign depository. Only a financial institution authorized to transact business in Kentucky may be designated as a campaign depository. The candidate, slate of candidates, or committee shall file the name and address of each primary and secondary depository so designated at the same time the candidate, slate of candidates, or committee files the name of his or its campaign treasurer.

(2) All funds received by the campaign treasurer or any deputy campaign treasurer of any candidate or committee shall be deposited in a campaign depository in an account designated "Campaign Fund of (name of candidate or committee)." For each deposit, the campaign treasurer or deputy campaign treasurer shall retain a statement showing the full name, address, employer of each contributor and the spouse of the contributor or, if the contributor or spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each contributor of ***more than two*** [~~more than three~~] hundred dollars ***($200)*** [~~($300)~~] and the amount contributed. Cash contributions shall be accompanied by the same receipt form. The campaign treasurer or deputy campaign treasurer for a slate of candidates or a slate's campaign committee shall comply with the requirements of KRS 121A.080(6).

Section 62. KRS 121A.060 is amended to read as follows:

(1) In order to become a qualifying slate of candidates for the purpose of receiving a transfer from the fund in a primary or regular election, or both, a slate of candidates shall request certification from the registry in a form and in the manner which the registry shall prescribe by administrative regulations promulgated in accordance with this chapter.

(2) The registry shall immediately review the request of a slate of candidates for certification to receive a transfer from the fund. The request for certification shall include:

(a) A statement of intent accepting maximum expenditure limitations;

(b) A copy of the slate's nomination papers;

(c) The financial reports filed by or on behalf of the slate of candidates as of the date of the request for certification which indicate that the slate of candidates has raised a threshold qualifying amount in individual qualifying contributions for a transfer from the fund at a two (2) for one (1) matching ratio. The threshold qualifying amount for a slate of candidates for Governor and Lieutenant Governor that elects to be eligible to receive a transfer from the fund in a primary election shall be six hundred thousand dollars ($600,000) in qualifying contributions. The minimum threshold qualifying amount for a slate of candidates for Governor and Lieutenant Governor in a regular election that elects to be eligible to receive a transfer from the fund shall be three hundred thousand dollars ($300,000) in qualifying contributions and the maximum threshold qualifying amount for a regular election shall be six hundred thousand dollars ($600,000) in qualifying contributions for any one (1) election. Not more than fifty percent (50%) of a threshold qualifying amount shall be received from residents of the same congressional district. No transfer from the fund shall be made for qualifying contributions which a slate of candidates may receive in any one (1) election which in the aggregate exceed the maximum threshold qualifying amount unless a qualifying slate of candidates has been released from expenditure limitations pursuant to KRS 121A.080(4) or (5). The threshold qualifying amounts shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment in a year in which a Governor and Lieutenant Governor are elected not later than the filing deadline for the primary election; and

(d) Any other information reasonably necessary that is required by the registry.

(3) The registry shall certify whether a slate of candidates is eligible to receive a primary election transfer no later than seven (7) calendar days after the slate submits the required documentation.

(4) The registry shall certify whether a slate of candidates is eligible to receive a regular election transfer not later than seven (7) calendar days after the slate submits the required documentation; except that if the slate is required to take part in a primary election, the results of the primary election shall have been certified by the registry.

(5) A separate determination and certification shall be made for a primary and a regular election.

(6) The certification issued by the registry shall indicate:

(a) Whether a slate of candidates is eligible to receive a transfer; and

(b) The amount of fund transfers the slate of candidates is eligible to receive based on the amount of qualifying contributions that the slate has received at the time that it requests a transfer eligibility certification.

(7) A slate of candidates may make multiple requests for fund transfer eligibility certification in the course of a primary or regular election at the times and in the manner which the registry shall prescribe by administrative regulation.

(8) If a slate of candidates that has filed a statement of intent to accept a transfer is not eligible to receive a transfer, the certification shall:

(a) State the reasons why the slate of candidates is not eligible to receive a transfer; and

(b) What action, if any, the slate of candidates may take to qualify for a transfer.

(9) A slate of candidates may file with the registry a written request to review the determination of the registry no later than seven (7) calendar days after the date of certification. The registry shall issue a ruling not later than ten (10) days after receiving a request to review its determination.

(10) A slate of candidates denied certification by the registry may appeal an adverse ruling within twenty (20) days by filing a notice of appeal in the Court of Appeals in accordance with the Rules of Civil Procedure and the appeal of a ruling by the registry shall be advanced on the docket to permit a timely decision.

(11) No threshold qualifying amount shall be required for a slate of candidates participating in a runoff primary. A qualifying slate of candidates shall be certified to receive a fund transfer for the runoff primary, if one shall be held, upon the registry's certification that the qualifying slate of candidates received the highest or next highest number of votes for its party's nomination for Governor and Lieutenant Governor at the primary election or that a qualifying slate of candidates was determined by lot to be eligible to participate in a runoff primary pursuant to KRS 118.245(6).

(12) ***If a qualifying slate of candidates is not participating in a primary or is unopposed in a primary, the registry shall make no transfer from the fund to that slate for the primary, and no transfer to that slate shall be made for the regular election earlier than the date the results of the primary election preceding the regular election of a year in which the Governor and Lieutenant Governor are elected are certified. If a qualifying slate of candidates is unopposed in a regular election, the registry shall make no transfer from the fund to that slate for the regular election*** [~~No qualifying slate of candidates seeking its party's nomination for Governor and Lieutenant Governor shall be eligible to receive transfers from the fund in a primary election unless at least one (1) additional slate of candidates seeking the same party's nomination for Governor and Lieutenant Governor in the primary election has received and deposited in its candidate campaign account funds in an amount not less than the threshold qualifying amount for the primary election as established in KRS 121A.060(2)(c). No qualifying slate of candidates seeking election to the offices of Governor and Lieutenant Governor in a regular election shall be eligible to receive transfers from the fund unless at least one (1) additional slate of candidates seeking election to the offices of Governor and Lieutenant Governor in the regular election has received and deposited in its candidate campaign account funds in an amount not less than the minimum threshold qualifying amount for the regular election as established in KRS 121A.060(2)(c)~~].

Section 63. KRS 61.102 is amended to read as follows:

(1) No employer shall subject to reprisal, or directly or indirectly use, or threaten to use, any official authority or influence, in any manner whatsoever, which tends to discourage, restrain, depress, dissuade, deter, prevent, interfere with, coerce, or discriminate against any employee who in good faith reports, discloses, divulges, or otherwise brings to the attention of the ***Kentucky Legislative Ethics Commission, the*** Attorney General, the Auditor of Public Accounts, the General Assembly of the Commonwealth of Kentucky or any of its members or employees, the Legislative Research Commission or any of its committees, members or employees, the judiciary or any member or employee of the judiciary, any law enforcement agency or its employees, or any other appropriate body or authority, any facts or information relative to an actual or suspected violation of any law, statute, executive order, administrative regulation, mandate, rule, or ordinance of the United States, the Commonwealth of Kentucky, or any of its political subdivisions, or any facts or information relative to actual or suspected mismanagement, waste, fraud, ***abuse of authority,*** or ***a substantial and specific danger to*** [~~endangerment of~~] public health or safety. No employer shall require any employee to give notice prior to making such a report, disclosure, or divulgence.

(2) ***No employer shall subject to reprisal or discriminate against, or use any official authority or influence to cause reprisal or discrimination by others against any person who supports, aids, or substantiates any employee who makes public any wrongdoing set forth in subsection (1) of this section.***

(3) This section shall not be construed as:

(a) Prohibiting an employer from requiring that an employee inform him of an official request made to an agency for information, or the substance of testimony made, or to be made, by the employee to legislators on behalf of an agency;

(b) Permitting the employee to leave his assigned work area during normal work hours without following applicable law, administrative regulations, rules, or policies pertaining to leave, unless the employee is requested by ***the Kentucky Legislative Ethics Commission to appear before the commission, or by*** a legislator or a legislative committee to appear before a legislative committee;

(c) Authorizing an employee to represent his personal opinions as the opinions of his employer; or

(d) Prohibiting disciplinary or punitive action if an employee discloses information which he knows:

1. To be false or which he discloses with reckless disregard for its truth or falsity;

2. To be exempt from required disclosure under the provisions of KRS 61.870 to 61.884; or

3. Is confidential under any other provision of law.

Section 64. KRS 61.103 is amended to read as follows:

As used in this section, unless the context otherwise requires:

(1) (a) "Disclosure" means a person acting on his own behalf, or on behalf of another, who reported or is about to report, either verbally or in writing, any matter set forth in KRS 61.102.

(b) "Contributing factor" means any factor which, alone or in connection with other factors, tends to affect in any way the outcome of a decision. It shall be presumed there existed a "contributing factor" if the official taking the action knew or had constructive knowledge of the disclosure and acted within a limited period of time so that a reasonable person would conclude the disclosure was a factor in the personnel action.

(2)[~~(1)~~] Notwithstanding the administrative remedies granted by KRS Chapters 16, 18A, 78, 90, 95, 156, and other chapters of the Kentucky Revised Statutes, employees alleging a violation of KRS 61.102(1) ***or (2)*** may bring a civil action for appropriate injunctive relief or punitive damages, or both, within ninety (90) days after the occurrence of the alleged violation. ***The*** [~~Such~~] action may be filed in the Circuit Court for the county where the alleged violation occurred, the county where the complainant resides, or the county where the person against whom the civil complaint is filed resides or has his principal place of business.

(3)[~~(2)~~] Employees filing court actions under the provisions of subsection ***(2)*** [~~(1)~~] of this section shall show by ***a preponderance of evidence that the disclosure was a contributing factor in the personnel action. Once a prima facie case of reprisal has been established and disclosure determined to be a contributing factor to the personnel action, the burden of proof shall be on the agency to prove by clear and convincing***

evidence that the disclosure was not a material fact in the personnel action [~~clear and convincing evidence that they, or a person acting on their behalf, were about to report or have already reported, either verbally or in writing, a violation, or a suspected violation, of a law, statute, executive order, administrative regulation, mandate, rule, or ordinance of the United States, the Commonwealth of Kentucky, or any of its political subdivisions~~].

(4) Any employee who testifies in an official proceeding shall be afforded the same protections and rights as the employee who makes a disclosure as set forth in KRS 61.102.

Section 65. KRS 247.5089 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development and education, the increased use and sale, domestic and foreign, of small grains and small grains products; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of small grains and small grains products to market. None of these funds shall be used for lobbying as defined in ***Section 23 of this Act*** [~~KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Fund Utilization Committee, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Fund Utilization Committee.

Section 66. KRS 247.580 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used by the promotion board for the purpose of promoting and stimulating, by research, market development, and education, the increased use and sale, domestic and foreign, of soybeans and soybean products. These funds shall not be used for lobbying as defined in ***Section 23 of this Act*** [~~KRS 6.250~~]. The promotion board may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized.

Section 67. KRS 247.6029 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development and education, the increased use and sale, domestic and foreign, of corn and corn products; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of corn and corn products to market. None of these funds shall be used for lobbying as defined in ***Section 23 of this Act*** [~~KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Fund Utilization Committee, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Fund Utilization Committee.

Section 68. KRS 247.6947 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development, and education, the increased use and sale, domestic and foreign, of sheep and lambs; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of sheep and lambs to market. None of these funds shall be used for lobbying as defined in ***Section 23 of this Act*** [~~KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Kentucky Sheep Council, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Kentucky Sheep Council.

Section 69. The following KRS sections are repealed:

6.250 Definition of "lobbyist."

6.260 When lobbyist may be employed — Contingent fee forbidden — Activities permitted.

6.270 Registration of lobbyists.

6.280 Legislative docket — Information to be entered.

6.290 Written authority to be filed by lobbyist.

6.300 Expenses of employers and lobbyists — Statement.

6.310 Lobbying on floor of House or Senate.

6.780 Acceptance of economic opportunity prohibited.

6.785 Lobbying for compensation by legislator prohibited.

6.805 Board of Ethics authorized to inquire into violations of KRS 6.760 to 6.800.

6.820 Functions, powers and duties of board.

6.850 Definitions — Annual report.

6.990 Penalties — Forfeiture of corporate charter.

Section 70. To carry out the purposes of this Act, there is appropriated to the Kentucky Legislative Ethics Commission out of the legislative branch budget the sum of fifty thousand dollars ($50,000) for the 1992-1993 fiscal year and one hundred thousand dollars ($100,000) for the 1993-1994 fiscal year.

Section 71. The balance a candidate has in his campaign account on the effective date of this Act shall not be subject to the limitations of subsection (25) of Section 57 of this Act.

Section 72. The following transition schedule shall apply to this Act.

(1) On the effective date of this Act, the authority of any person or organization to take an action required by this Act for the appointment of members of the commission shall commence.

(2) On the effective date of this Act, all existing statutes affected by this Act shall continue in effect, unamended, until an amendment or repeal provision becomes operable at the time specified within this Section.

(3) On the effective date of this Act, the Board of Ethics of the Kentucky General Assembly shall remain as the body responsible for the provisions of KRS Chapter 6, until the members of the new commission provided for within this Act take office.

(4) On the effective date of this Act, and until the time specified within this Section for implementation of registration of legislative agents with the commission, the Attorney General shall remain responsible for these registrations.

(5) Within forty-five (45) days of the effective date of this Act, persons or organizations required to submit names of nominees for the commission shall submit them to the person to whom they are to be submitted as required within this Act.

(6) Within sixty (60) days of the effective date of this Act, the Legislative Research Commission, President of the Senate, and Speaker of the House of Representatives shall make the appointments of commission members required within this Act.

(7) Within seventy-five (75) days of the effective date of this Act, the members of the commission shall be officially sworn in and take office. On this date the terms of the members of the Board of Ethics of the Kentucky General Assembly shall terminate, regardless of the date of their appointment to that Board, and their terms shall be deemed to have been shortened to that date, regardless of the original length of apppointment. Enforcement powers of the commission shall commence.

(8) Within ninety (90) days of the effective date of this Act, the commission shall meet and choose its chairman and other officers as provided within this Act.

(9) Within one hundred fifty (150) days of the effective date of this Act, the commission shall employ an executive director and such other initial employees as it deems necessary.

(10) Within one hundred eighty (180) days of the effective date of this Act, the commission shall promulgate administrative regulations and shall file with those administrative regulations, by reference, forms and other materials necessary for implementation and administration of this Act.

(11) Except as provided in subsections (13), (14), and (15) of this Section, the provisions of this Act shall become operable two hundred ten (210) days after the effective date of this Act, unless otherwise provided by this Section. On this date all previous administrative regulations relating to subjects covered by this Act or issued by the Board of Ethics of the Kentucky General Assembly shall expire and the administrative regulations issued by the commission shall become effective, unless they have already been placed into effect by the commission.

(12) The commission need not present an ethics training program prior to the two hundred ten (210) days required for full implementation of programs of the commission but shall conduct initial ethics training not less than thirty (30) days prior to the 1994 Regular Session of the General Assembly. The commission shall not be required to present a current issues seminar in 1994.

(13) On May 26, 1993, the following provisions shall become effective: Section 56; Section 57(4) as it applies to present-year candidates; Section 57(7) and Section 57(25); Section 58 as it applies to present-year candidates; Section 60(2); Section 60(3) as it applies to present-year candidates; and Section 61 as it applies to present-year candidates.

(14) On July 1, 1993, the following provisions shall become effective: Section 57(4) as it applies to permanent committees, contributing organizations, party committees, and future-year candidates; Section 58 as it applies to future-year candidates; Section 60(3) as it applies to future-year candidates; Section 60(6); and Section 61 as it applies to future-year candidates.

(15) Section 62 shall become effective on the effective date of this Act.

Section 73. Whereas it is increasingly important that public confidence in the integrity of state government and its officials be maintained, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

HCR 11, A CONCURRENT RESOLUTION directing the Legislative Research Commission to appoint a task force to develop recommendations for a code of ethics for local governments.

WHEREAS, the Task Force on Governmental Ethics through its research, discussions, and deliberations voted to apply its recommendations to public servants at all levels of government; and

WHEREAS, the resultant Task Force document, the "Kentucky Code of Governmental Ethics", attempted to set forth uniform standards of conduct and ethical behavior for public servants at all levels of government; and

WHEREAS, the complexities of and the differences between state, local, executive, and legislative agencies of governments make difficult the creation of uniform language to cover equitably all contingencies of service and conduct;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission appoint a task force to make recommendations for a code of ethics for local governments.

Section 2. That this report shall be submitted to the General Assembly no later than January 4, 1994, for consideration by the 1994 General Assembly.

Section 3. Staff services to be utilized in completing this study are estimated to cost ten thousand dollars ($10,000). These staff services shall be provided from the regular Commission budget and are subject to the limitations and other research responsibilities of the Commission.

Motions, Petitions and Communications

Representative Stumbo moved that the one day posting period be waived on **HCR 11** and **SB 7**. Agreed.

Representative Fox moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Fox moved the adoption of the following **HR 16**:

HR 16, A RESOLUTION honoring the Harlan Daily Enterprise for general excellence.

WHEREAS, the Harlan Daily Enterprise, in its ninety second year of publication, and for the second time in its illustrious history has been awarded first place for general excellence by the Kentucky Press Association; and

WHEREAS, the Enterprise is the smallest newspaper in its competitive class and competes with every newspaper in the state for this award with the exception of the Courier Journal; and

WHEREAS, the talented and determined staff of the Enterprise have claimed sixteen awards for various achievements throughout the years while striving to be the best they could be; and

WHEREAS, the strength and enterprise of our mountain heritage once again stands tall in the light of this coveted award;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby congratulate the Harlan Daily Enterprise for being awarded first place for general excellence by the Kentucky Press Association.

Section 2. That this esteemed institution applauds the efforts and talents of the Harlan Daily Enterprise staff and its publisher, Joe Ben Oller; executive editor, Jeff Phillips; and, news editor, Lisa Carnahan.

Section 3. That the House of Representatives commends the example of the Harlan Daily Enterprise to all news organizations throughout our great Commonwealth as a lesson to us all.

Section 4. That the clerk of the House of Representatives is directed to transmit 3 copies of this Resolution to Jeff Phillips, Executive Editor, Harlan Daily Enterprise, Box E, Harlan, Kentucky 40831.

On the roll call the vote was: Yeas 80, Nays 1. (See February 5, 1993 roll call on **HR 16** - Appendix.)

HR 16 was adopted.

Representative Gray moved that the rules be suspended to act upon Resolutions. Agreed.

Representative Gray moved the adoption of the following **HR 17**:

HR 17, A RESOLUTION recognizing, honoring, and celebrating Black History Month.

WHEREAS, February is Black History Month; and

WHEREAS, this month, across the United States of America and this great Commonwealth, observances are being held to increase public awareness of the importance of Black History; and

WHEREAS, knowledge of Black History is essential to understanding heritage, self-esteem, and development of a sense of pride in all Kentuckians; and

WHEREAS, basic awareness of Black History encourages understanding, sensitivity, and compassion toward one's fellowman; and

WHEREAS, all across the United States of America and this great Commonwealth, individuals, companies, organizations, agencies, and associations are coming together to sponsor various activities directed toward celebrating Black History Month; and

WHEREAS, this honorable body is pleased to acknowledge the vital importance of recognizing, honoring, and celebrating Black History Month;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body recognizes, honors, and celebrates Black History Month.

Section 2. That the Clerk of the House of Representatives be directed to provide copies of this Resolution to any individual upon request.

HR 17 was adopted by voice vote.

Representative Gray moved the adoption of the following **HR 18**:

HR 18, A RESOLUTION honoring the outstanding efforts of Lt. Governor and Economic Development Secretary Paul Patton, Governor Brereton Jones, Richard Stonsifer, President of GE Appliances, Norman Mitchell, President of the International Union of Electronic Workers (IUE), Jerry Abramson, Mayor of Louisville, Dave Armstrong, Judge-Executive of Jefferson County, and others who worked diligently to preserve 1,300 to 1,500 essential jobs in the Commonwealth of Kentucky.

WHEREAS, the General Electric (GE) Company's Appliance Park in Louisville employs 9,000 people and is the headquarters of GE's major-appliance division; and

WHEREAS, the future of all 9,000 jobs at Appliance Park was threatened by the potential elimination of between 1,300 and 1,500 jobs in the washing-machine division; and

WHEREAS, the potential loss of Appliance Park would be devastating to the economy of Louisville, Jefferson County and the Commonwealth; and

WHEREAS, the immediate response, cooperation, and hard-work of numerous individuals resulted in a commitment by GE to invest $70 million to upgrade the home-laundry division at Appliance Park; and

WHEREAS, the dedication, tenacity, expertise and tireless efforts of our esteemed Lieutenant Governor and Economic Development Secretary, Paul Patton, were crucial to the successful resolution and preservation of jobs at GE's Appliance Park.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House of Representatives do hereby extend its congratulations, praise, and sincere gratitude to all individuals involved in the successful effort to maintain Appliance Park as a viable economic entity in the Commonwealth.

Section 2. That the members of the House of Representatives congratulate, commend and extend lavish praise to our Lieutenant Governor and Economic Development Secretary Paul Patton for his remarkable efforts to save Appliance Park and his foresight and guidance which contributed greatly to the creation of the Kentucky Industrial Revitalization Authority (KIRA), an authority created to assist employers in the Commonwealth who are at risk of closing without retooling.

HR 18 was adopted by voice vote.

Representative Geveden moved the adoption of the following **HCR 7**:

HCR 7 was adopted by voice vote.

Representative Donnermeyer moved that he be recorded as voting "yea" on **HB 2**. Agreed.

Representative Geveden moved the adoption of the following **HR 19**:

HR 19, A RESOLUTION adjourning in memory of Judge Woodard C. Tipton, Jr.

With deepest respect, we pay homage and tribute to the memory of Judge Woodard C. Tipton, Jr. who died January 26, 1993, at the age of eighty-four.

WHEREAS, Woodard C. Tipton, Jr. was born November 1, 1908, in Pennescott County, Missouri, was graduated from the Webb School in Bell Buckle, Tennessee, and from Vanderbilt University, attended the University of Kentucky Law School, and licensed to practice law in 1932; and

WHEREAS, as all virtue is summed up in dealing justly, the virtuous Woodard C. Tipton, Jr. summed up sixty years of dealing in areas of justice — the areas of private practice; service as a Fulton County attorney; special F.B.I. agent; U.S. Army criminal investigator; Circuit Judge of the first Judicial Circuit; special Circuit Judge; and special Supreme Court Justice; and

WHEREAS, Judge Woodard Tipton, Jr. was a model of honor and integrity on the bench; and

WHEREAS, Judge Woodard Tipton, Jr. always exhibited fairness to all who appeared before him; and

WHEREAS, Kentuckians are infinitely thankful to Judge Woodard C. Tipton, Jr. for his contribution to the Commonwealth, for justice is the greatest interest of man on earth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does hereby express its great sense of sorrow over the loss of Judge Woodard C. Tipton, Jr.

Section 2. That this honorable body extends its most heartfelt sympathy to his wife, Helen Johnston Tipton; his three children, Ann Tipton Johannson, James W. Tipton, and Paul W. Tipton; his sister, Sarah Pribble; and his six grandchildren.

Section 3. That when we adjourn this day we adjourn in memory of Judge Woodard C. Tipton, Jr.

Section 4. That the Clerk of the House is directed to send five copies of this Resolution to Mrs. Helen Johnston Tipton, 1107 Union City Highway, Hickman, Kentucky 42050.

HR 19 was adopted by voice vote.

Announcements

The following meetings were announced:

State Government, 10:00 a.m., Room 129, February 8, 1993.

Committee on Rules, upon adjournment, Speaker's office, February 5, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 4:00 p.m., Monday, February 8, 1993.

On the roll call the vote was yeas 79—Ackerson, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Johnson, Kerr, Lear, Lee, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Nunn, Palumbo, Pearman, Rasche, Reinhardt, Riggs, Riner, Sanders, Scorsone, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 1—Lile.

The motion to adjourn was adopted.

MONDAY, FEBRUARY 8, 1993

SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Lucy Tedrich, Marion Church of God, Marion.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Jensen, Lyne, Ridley and T. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 5, 1993 be dispensed with and the same approved. Agreed.

Floor Amendments

Floor Amendment No. 2 to the Committee Substitute to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1/HCS** on page 2, line 2, by deleting "***$12,000,000***" and inserting in lieu thereof "***$10,000,000***"; and

On page 2, line 9, by deleting "***$12,000,000***" and inserting in lieu thereof "***$10,000,000***"; and

On page 3, line 6, after the "." by inserting the following language: "***The implementation plan developed by any entity under contract to provide technical support and implementation services and any amendments to the plan shall be presented to the Interim Joint Committee on Appropriations and Revenue by the Secretary of the Finance and Administration Cabinet.***"

Floor Amendment No. 3 to the Committee Substitute to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1/HCS** on page 2, line 2, by deleting "***$12,000,000***" and inserting in lieu thereof "***$10,000,000***"; and

On page 2, line 9, by deleting "$***12,000,000***" and inserting in lieu thereof "***$10,000,000***".

Floor Amendment No. 4 to the Committee Substitute to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1/HCS** on page 2, line 3, by deleting "***the remainder of the current***" and inserting in lieu thereof "***the 1992-1994***"

Representative Richards moved that the House stand at ease for a meeting of Committee on Committees in the Speaker's office. Agreed.

The Speaker called the House to order.

Report of Committees

The Committee on Rules reported that **HB 1** has been posted for passage in the Orders of the Day for February 9, 1993.

The Committee on Committees reported the following committee appointments:

Enrollment Committee: Representative Lyne, Chairman; Representatives Barrows, Stumbo and Todd.

Calendar

SB 7 taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended for a report of the Committee on Rules. Agreed.

Report of Committees

The Committee on Rules reported that the following Bill has been recommitted:

State Government: **SB 7**

Floor Amendments

Floor Amendment No. 5 to the Committee Substitute to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1/HCS** on page 4, line 16, after the period "." by inserting the following new language: "***Local school boards receiving state school funds for the education technology program established by House Bill 698 shall not be permitted to anticipate funding beyond the amount of the offers of assistance granted in the 1992-94 biennium. This amount shall serve as the basis for approval of any proposed technology financing plan approved by the Department of Education and the commissioner of the Department of Education.***"; and

On page 4, line 19, after the period "," by inserting the following new language: "***Moneys from the Education Technology Escrow Account shall not be expended or committed beyond the above listed amounts.***"

Floor Amendment No. 6 to the Committee Substitute to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1/HCS** on page 3, line 22, before the word "***findings***" by inserting the word "***preliminary***"; and

On page 3, after line 23 but before line 24, by inserting the following new language: "***On or before July 31, 1993, and December 31, 1993, the Office of Education Accountability shall report to the Interim Joint Committee on Appropriations and Revenue the conclusions and recommendations made by the consultant's evaluation of the development and implementation of the Kentucky Education Technology System.***"

Floor Amendment No. 8 to the Committee Substitute to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1/HCS** on page 1, line 13, after the closing bracket and before the word "Funds" by inserting the following new language: "***The balance of the fund not specifically committed***" and by placing an opening bracket before the word "Funds" and on line 15, by placing a closing bracket after the word "Cabinet" and striking through the language; and

On page 2, line 2, by deleting "***$12,000,000***" and inserting in lieu thereof "***$8,000,000***"; and

On page 2, line 3, by deleting "***the remainder of***"; and

On page 2, line 9, by deleting "***$12,000,000***" and inserting in lieu thereof "***$8,000,000***"; and

On page 3, line 7, after "***$900,000***" by inserting "***in total***" and deleting "***remainder of the***"; and

On page 4, line 9, by removing the closing bracket and placing a closing bracket after the word "Account" on line 10, and striking through language; and

On page 4, line 10, before the word "shall" by adding the following new language "***$20,000,000 in FY 1992-93 and $20,000,000 in FY 1993-94***"; and

On page 4, line 13, by placing an opening bracket before the word "Subject" and on page 4, line 13, by removing the opening bracket and striking through the language.

Floor Amendment No. 7 to the Committee Substitute to **HB 1**, by Representative Noland:

Amend printed copy of **HB 1/HCS** on page 3, after line 6 but before line 7, by inserting the following new language: "***Any product, including software and computer programs, developed by a consultant in fulfillment of a contract with the Commonwealth for the development and implementation of the Kentucky Education Technology System shall become the property of the Commonwealth for its exclusive use.***"

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Lear moved the adoption of **HCR 11**.

On the roll call the vote was: Yeas 90, Nays 0. (See February 8, 1993 roll call on **HCR 11** - Appendix.)

HCR 11 was adopted.

Representative Lear moved that a call of the roll be taken to show co-sponsors of **HCR 11**. Agreed.

On the roll call the vote was yeas 78—Ackerson, Adkins, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Geveden, Graham, Gray, J. Harper, K. Harper, Heleringer, Hourigan, Johnson, Kerr, Lee, LeMaster, Lile, Lindsay, Little, Long, Maggard, McElroy, Moberly, Morris, Mullinix, Nelson, Nesler, Noland, Nunn, Palumbo, Pearman, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stengel, Stumbo, Todd, Trapp, Turner, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Lear moved that the vote by which **HCR 1** was adopted be reconsidered and said motion be placed on the table. Agreed.

The Speaker moved that the rules be suspended to act upon Resolutions and Citations. Agreed.

Representative Burch moved that he be recorded as voting "yea" on **HCR 11**. Agreed.

Announcements

The following meetings were announced:

Majority Caucus, upon adjournment, February 9, 1993.

State Government, upon adjournment, February 8, 1993.

Mountain Caucus, 9:00 a.m., Room 129, February 9, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Tuesday, February 9, 1993.

On the roll call the vote was yeas 77—Ackerson, Adams, Adkins, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Brown, Bryant, Buis, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hourigan, Johnson, Kerr, Lear, Lee, Lewis, Long, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stumbo, Todd, Turner, Walton, Ward, Wayne, Worthington, Zimmerman. Nays 3—Hancock, Lile, Maggard.

The motion to adjourn was adopted.

TUESDAY, FEBRUARY 9, 1993

SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Mark Hopper, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Lyne and Northup.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 8, 1993 be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 20, by Representative Cyrus: A RESOLUTION adjourning in loving memory and honor of James "Butch" Hinton of Louisville.

HR 21, by Representatives Sanders and Gedling: A RESOLUTION honoring William Huston Natcher.

Orders of the Day

HB 1, with Committee Substitute, Committee Title Amendment and Floor Amendments attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved the adoption of Committee Substitute to **HB 1**. Agreed.

Representative Stumbo moved that **HB 1**, by way of Committee Substitute, be passed.

Representative Worthington moved the adoption of Floor Amendment No. 8 to the Committee Substitute to **HB 1**.

On the roll call the vote was yeas 42—Ackerson, Adams, Altman, Arnold, Ballard, Barrows, Bruce, Bryant, Buis, Cave, Collins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Gedling, Gee, J. Harper, K. Harper, Heleringer, Jensen, Keith, Kerr, Lile, Lindsay, Little, Mullinix, Napier, Noland, Reinhardt, Ridley, Riggs, Riner, Sanders, Sheehan, T. Smith, Turner, Walton, Worthington, Yates, Zimmerman. Nays 52—Adkins, Bentley, Blandford, Bowling, Brown, Burch, Butler, Callahan, L. Clark, P. Clark, Clarke, Coleman, Crenshaw, Curd, Cyrus, Damron, Deskins, Fox, French, Geveden, Graham, Gray, Hatcher, Hourigan, Johnson, Lear, Lee, Lewis, Long, Maggard, Mason, McElroy, Moberly, Morris, Nesler, Nunn, Palumbo, Pearman, Rapier, Rasche, Richards, Scorsone, Shacklette, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Ward, Wayne.

Floor Amendment No. 8 to the Committee Substitute to **HB 1** was rejected.

Representative Worthington moved the adoption of Floor Amendment No. 6 to the Committee Substitute to **HB 1**. Agreed.

Representative Worthington moved the adoption of Floor Amendment No. 5 to the Committee Substitute to **HB 1**.

On the roll call the vote was yeas 50—Ackerson, Adams, Allen, Altman, Arnold, Blandford, Bryant, Buis, Burch, Butler, Callahan, Cave, P. Clark, Collins, Cyrus, DeWeese, Donnermeyer, Farley, Ford, French, Gee, Graham, J. Harper, K. Harper, Hatcher, Heleringer, Jensen, Johnson, Keith, Kerr, Lile, Lindsay, Little, Maggard, McElroy, Mullinix, Napier, Nunn, Pearman, Reinhardt, Ridley, Riggs, Riner, Sanders, Sheehan, T. Smith, Todd, Turner, Walton, Worthington. Nays 46—Adkins, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, L. Clark, Clarke, Coleman, Crenshaw, Curd, Damron, Farrow, Fox, Gedling, Geveden, Gray, Hancock, Hourigan, Lear, Lee, LeMaster, Lewis, Long, Mason, Moberly, Morris, Nelson, Nesler, Noland, Palumbo, Rasche, Richards, Scorsone, Shacklette, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne, Yates, Zimmerman.

Floor Amendment No. 5 to the Committee Substitute to **HB 1** was adopted.

Representatives Barrows moved the adoption of Floor Amendment No. 2 to the Committee Substitute to **HB 1**.

On the roll call the vote was yeas 49—Allen, Altman, Arnold, Ballard, Barrows, Bruce, Bryant, Buis, Cave, Collins, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, French, Gedling, Gee, Graham, Hancock, J. Harper, K. Harper, Heleringer, Jensen, Johnson, Kerr, Lile, Lindsay, Little, Maggard, Mullinix, Napier, Nunn, Pearman, Rasche, Reinhardt, Ridley, Riggs, Riner, Sanders, Sheehan, B. Smith, Todd, Turner, Walton, Worthington, Yates, Zimmerman. Nays 47—Ackerson, Adams, Adkins, Bentley, Blandford, Bowling, Brown, Burch, Butler, Callahan, L. Clark, P. Clark, Clarke, Coleman, Crenshaw, Curd, Cyrus, Deskins, Fox, Geveden, Gray, Hatcher, Hourigan, Keith, Lear, Lee, Lewis, Long, Mason, McElroy, Moberly, Morris, Nelson, Nesler, Noland, Palumbo, Rapier, Richards, Scorsone, Shacklette, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne.

Floor Amendment No. 2 to the Committee Substitute to **HB 1** was adopted.

Representative Noland moved the adoption of Floor Amendment No. 7 to the Committee Substitute to **HB 1**. Agreed.

Representative Stumbo moved that **HB 1**, by way of Committee Substitute as amended, be passed.

On the roll call the vote was: Yeas 86, Nays 9. (See February 9, 1993 roll call on **HB 1** - Appendix.)

HB 1, by way of Committee Substitute as amended, was passed.

Representative Stumbo moved the adoption of the Committee Title Amendment to **HB 1**. Agreed; and the title was agreed to.

Representative Stumbo moved that the vote by which **HB 1**, by way of Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions and Communications

Representative Sanders moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Sanders moved the adoption of the following **HR 21**:

HR 21, A RESOLUTION honoring William Huston Natcher.

The most prominent glory of a country is in its great men - a nation's spirit - and its success will depend on its willingness to learn from their example.

WHEREAS, it seems appropriate from time to time for this honorable body to reflect upon the contributions of special Kentuckians who have enriched the lives of so many people; and

WHEREAS, William Huston Natcher was born on September 11, 1909, a native of Bowling Green, Warren County, Kentucky; and

WHEREAS, William Huston Natcher, attended public schools and received his high school education at Ogden Preparatory Department of Ogden College in Bowling Green, Kentucky; and

WHEREAS, William Huston Natcher graduated from Western Kentucky Teacher's College in Bowling Green, Kentucky in 1930 and received his LL.B from Ohio State University in Columbus, Ohio in 1933; and

WHEREAS, William Huston Natcher was admitted to the bar and commenced the practice of law in 1934 in Bowling Green, Kentucky; and

WHEREAS, William Huston Natcher served as Federal Conciliation Commissioner for the western district of Kentucky in 1936 and 1937; and

WHEREAS, William Huston Natcher served as County Attorney of Warren County from 1938-1950 and served as Commonwealth Attorney for the eighth judicial district of Kentucky from 1951-1953; and

WHEREAS, William Huston Natcher was president of the Young Democratic Clubs of Kentucky from 1941-1946 and was named a delegate to the 1940 Democratic National Convention; and

WHEREAS, William Huston Natcher served his country with distinction during World War II; and

WHEREAS, William Huston Natcher was elected as a Democrat to the Eighty-third Congress on August 1, 1953 and reelected to the twenty succeeding Congresses including the One Hundred Third Congress; and

WHEREAS, William Huston Natcher, since he has been a member of the United States Congress has never missed a day of duty nor missed casting a vote, and as of February 4, 1993, he had cast 13,555 roll call votes and 4,223 quorum calls bringing a grand total of 17,778 consecutive floor votes cast; and

WHEREAS, William Huston Natcher has served on the Appropriations Committee since 1955, and in January, 1993, he was honored by being named chairman of the Appropriations Committee; and

WHEREAS, William Huston Natcher is the loving father of two daughters, Celeste Jirles and Louise Murphy, and adored grandfather and great grandfather; and

WHEREAS, William Huston Natcher, during his career as a public servant has adhered to the highest principles and ideas; and

WHEREAS, the passion, the dedication, the intelligence and the social consciousness that William Huston Natcher has brought to the United States Congress will never be forgotten by the citizens of the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body hails William Huston Natcher for his many years of faithful service to the citizens of this great Commonwealth.

Section 2. That William Huston Natcher's contribution to the quality of life in Kentucky is beyond measure and will have lasting impact and this honorable body expresses its appreciation to him for his many accomplishments and for the distinction he has brought to the Commonwealth of Kentucky.

Section 3. That the Clerk of the House of Representatives of the Commonwealth of Kentucky is directed to transmit a copy of this resolution to the Honorable William Huston Natcher, 2333 Rayburn House Office Building, Washington, D.C. 20515.

HR 21 was adopted by voice vote.

Representative Sanders moved that a call of the roll be taken to show co-sponsors of **HR 21**. Agreed.

On the roll call the vote was yeas 88—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Bryant, Buis, Butler, Callahan, Cave, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lile, Lindsay, Little, Long, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nesler, Noland, Nunn, Palumbo, Pearman, Rapier, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Shacklette, Sheehan, B. Smith, T. Smith, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Cyrus moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Cyrus moved the adoption of the following **HR 20**:

HR 20, A RESOLUTION adjourning in loving memory and honor of James "Butch" Hinton of Louisville.

With heartfelt sorrow we pay homage and tribute to a long-time labor leader and tremendous friend of the working people, James "Butch" Hinton.

WHEREAS, "Butch" Hinton saddened his many friends and supporters when he crossed these earthly bounds on January 9, 1993; and

WHEREAS, "Butch" Hinton was an iron-willed individual who confronted all obstacles and challenges with fierce determination; and

WHEREAS, "Butch" Hinton was a noted labor leader in his native Louisville and throughout the state for many years, a capacity in which he served faithfully and with great pride; and

WHEREAS, "Butch" served as President of Machinists Local Union Number 681 since 1980 where he fought for the rights and privileges of the 2,800 members he represented; and

WHEREAS, "Butch" also served as president of Machinists District Lodge Number 27, as a member of the executive boards of the Greater Louisville Central Labor Council, the Kentucky State AFL-CIO and Union Housing Management Corporation, and as a member of a number of gubernatorially-appointed government boards and commissions; and

WHEREAS, "Butch" and his contributions to the labor movement will never be forgotten and his friends will cherish the memory of this "gentle bear of a man" who provided a rare example of inspiration and dedication;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby express its profound sense of loss upon the passing of James "Butch" Hinton and commends his family to the solace of the Almighty during these dark and painful hours.

Section 2. That the House of Representatives celebrates the life and achievements of James "Butch" Hinton and shares with all who knew and loved him the sorrow of this great loss.

Section 3. That when the House of Representatives adjourns this day it does so in loving memory and honor of James "Butch" Hinton.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Martha Hinton, widow of James "Butch" Hinton, 1620 Eastern Parkway, Louisville, Kentucky 40204.

HR 20 was adopted by voice vote.

Senate Message

Announcing passage of **HB 2**. (Time: 11:40 a.m.)

Motions, Petitions and Communications (Continued)

Representative Geveden moved the adoption of the following Legislative Citation No. 2. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and congratulates THE FULTON COUNTY BOY'S VARSITY BASKETBALL TEAM FIRST REGION CHAMPIONS. This victory granted you the opportunity to advance to the All-A Classic State Tournament. The team's outstanding performance during tournament play, advanced the Pilots to the All-A Classic finals. Your excellent record of 18-4 reflects hard work, school loyalty, competitive spirit and a positive team effort. The Fulton County Pilots should be proud of the honor and recognition you have bestowed upon your school and community.

This prestigious body joins Representative Charles Geveden in saluting Coach Sam Miller, Assistant Coach Sam Miller, Jr. and members of the Fulton County Boy's Varsity Basketball Team on claiming the title of the All-A Classic State Tournament runner-up.

Announcements

The following meetings were announced:

State Government, 1:30 p.m., Room 129, February 9, 1993.

Majority Caucus, 12:30 p.m., Room 149, February 9, 1993.

Minority Caucus, upon adjournment, Room 125, February 9, 1993.

Appropriations and Revenue, cancelled, February 9, 1993. Rescheduled for February 10, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 12 Noon, Wednesday, February 10, 1993.

On the roll call the vote was yeas 80—Adams, Adkins, Allen, Altman, Arnold, Bentley, Bowling, Brown, Bruce, Buis, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Johnson, Kerr, Lee, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, T Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 3—Heleringer, LeMaster, Lile.

The motion to adjourn was adopted.

WEDNESDAY, FEBRUARY 10, 1993

EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Dr. William R. Jennings, First United Methodist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Little, Lyne, Ridley, R. Smith and Worthington.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 9, 1993 be dispensed with and the same approved. Agreed.

Representative Mason moved that the rules be suspended to allow floor privileges to special guests and to introduce and act upon Resolutions. Agreed.

HR 28, by Representatives Mason and Bentley: A RESOLUTION honoring the Dilce Combs High School Boys' Basketball Team upon the occasion of winning the all "A" Classic State Championship.

Representative Mason moved the adoption of the following **HR 28**:

HR 28, A RESOLUTION honoring the Dilce Combs High School Boys' Basketball Team upon the occasion of winning the all "A" Classic State Championship.

WHEREAS, with only six seconds left in the game the Dilce Combs Panthers won a 68-67 victory over Fulton County, winning the finals of the small-school state tournament; and

WHEREAS, the Panthers are the first team from southeastern Kentucky to bring home a state championship trophy since Carr Creek in 1956 and the first Panther team ever to do this; and

WHEREAS, other trophies brought back by the Panthers were the Most Valuable Player to senior Heston Beverly and All Tournament Team to juniors Cavanaugh Trent and Kevin Campbell; and

WHEREAS, this monumental team and its coach, Charles Minks, have earned the respect and admiration of opposing players, coaches, and fans throughout the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives congratulates Coach Charles Minks, and ballplayers Heston Beverly, Chris Slaven, Jeff Browning, Chad Keathley, Joey Turner, Cavanaugh Trent, Kevin Campbell, George Minks, Andy Combs, Ben Campbell, David Leveridge, Joey Hall, Steve Sumner, Shane Fugate, and Lee Couch.

Section 2. That this honorable body joins Principal J. R. Noe, Assistant Principals Karen Campbell and JoAnn Asher, and the entire school body in celebration of this widely acclaimed event.

Section 3. That the Clerk of the House of Representatives is directed to send two copies of this Resolution to Coach Charles Minks, Dilce Combs High School, Jeff, Kentucky 41751.

HR 28 was adopted by voice vote.

HR 29, by Representatives Mason and Bentley: A RESOLUTION commending and recognizing the Dilce Combs High School Cheerleading Team.

Representative Mason moved the adoption of the following **HR 29**:

HR 29, A RESOLUTION commending and recognizing the Dilce Combs High School Cheerleading Team.

WHEREAS, the Dilce Combs Cheerleading Team has won the All "A" Classic State Championship; and

WHEREAS, these outstanding cheerleaders exemplify the finest qualities inherent in the youth of the Commonwealth; and

WHEREAS, all Kentuckians are justifiably proud of the accomplishments of the Dilce Combs Cheerleading Team;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Dilce Combs Cheerleading Team and its coach are hereby honored, commended, and recognized for their accomplishments in winning the All "A" Classic State Championship.

Section 2. That Principal J. R. Noe and assistant principals Karen Campbell and Jo Ann Asher are congratulated upon this occasion.

Section 3. That the Clerk of the House of Representatives is directed to send two copies of this Resolution to Principal J. R. Noe, Dilce Combs High School, Jeff, Kentucky 41751.

HR 29 was adopted by voice vote.

HR 30, by Representatives Mason and Bentley: A RESOLUTION honoring the Dilce Combs High School Academic Team.

Representative Mason moved the adoption of the following **HR 30**:

HR 30, A RESOLUTION honoring the Dilce Combs High School Academic Team.

WHEREAS, the Dilce Combs High School Academic Team brought home to Perry County the All "A" Classic State Championship Trophy for quick recall; and

WHEREAS, it is important to all Kentuckians that this academic accomplishment be recognized and applauded for its significance to the purposes of education in the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives proudly recognizes Coach Carol Combs and students Kenny Vanover, Joel Beverly, Erman Caudill, Beth Hurley, and Beth Davis for winning the All "A" Classic State Championship Trophy for quick recall.

Section 2. That this honorable body congratulates Principal J. R. Noe, Assistant Principals Karen Campbell and Jo Ann Asher, and the entire school body upon this occasion.

Section 3. That the Clerk of the House send two copies of this Resolution to Coach Carol Combs, Dilce Combs High School, Jeff, Kentucky 41751.

HR 30 was adopted by voice vote.

Representative Mason moved that a call of the roll be taken to show co-sponsors of **HR 28**, **HR 29** and **HR 30**. Agreed.

On the roll call the vote was yeas 91—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 0.

Senate Message

Announcing passage of **SJR 17**. (Time: 12:15 p.m.)

Representative Farrow moved that the rules be suspended to allow floor privileges to a special guest. Agreed.

Introduction of Resolutions

HR 22, by Representatives LeMaster and Arnold: A RESOLUTION honoring the Nicholas County High School Lady Jackets basketball team for winning the All "A: Classic championship.

HR 23, by Representative Arnold: A RESOLUTION honoring William Wesley Peavyhouse upon the occasion of his sixty-eighth birthday.

HR 24, by Representatives Damron and Napier: A RESOLUTION honoring the Garrard County Lady Lions basketball team and head coach Ken Hurt.

HR 25, by Representative Clarke: A RESOLUTION adjourning in loving memory and honor of Michael Lee "Mickey" Worthington, brother of State Representative Pete Worthington.

HR 26, by Representative Clarke: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Francine Nicole Smith, daughter of former 49th District Representative Frank Smith of Shepherdsville.

HR 27, by Representative Clarke: A RESOLUTION in loving memory and honor of Patricia Dawson Wade.

HR 31, by Representative Burch: A RESOLUTION adjourning the House of Representatives in honor of Kentucky's Foster Parents.

Report of Committees

The Committee on State Government reported **SB 7**, with House Committee Substitute attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

The House Committee Substitute to **SB 7** is as follows:

SB 7, AN ACT relating to state government, making an appropriation therefor, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Sections 1 to 37 of this Act may be cited as the "Kentucky Code of Legislative Ethics."

INTRODUCTORY MATTERS

SECTION 2. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The principles of ethical behavior contained in this code recognize that the public's trust in its government is essential to a democracy and that public service is a public trust. It is the purpose of this code to establish standards of conduct that will guide and support legislators in the performance of their official duties, will help legislators avoid conflicts between their personal interests and their public responsibilities, will provide a process of investigating and resolving ethical violations, will provide administrative and criminal penalties for specific ethical violations found to be unlawful, and will promote and strengthen the faith and confidence of the people of the Commonwealth in their legislators.

(2) It is further the intent of this code to control conduct and provide guidance for legislators, candidates, lobbyists, and lobbyist's principals for conduct outside of the state as well as within the state, recognizing that conduct outside of the state may well affect conduct within the state.

SECTION 3. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided in this section, a person may be convicted under this code of an offense committed by his own conduct or the conduct of another for which he is legally accountable when:

(1) Either the conduct or the result which is an element of the offense occurs within this state;

(2) Conduct occurring outside the state is sufficient to constitute an attempt to commit an offense within the state;

(3) Conduct occurring outside the state is sufficient to constitute a conspiracy to commit an offense within the state and an overt act in furtherance of the conspiracy occurs within the state;

(4) Conduct occurring within this state establishes complicity in the commission of, or an attempt, solicitation, or conspiracy to commit, an offense in another jurisdiction which is also an offense under this code;

(5) The offense consists of the omission to perform a legal duty imposed by this code regardless of where that person is when the omission occurs; or

(6) The offense is a violation of this code that expressly prohibits conduct outside the state.

SECTION 4. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The following definitions apply in this code:

(1) "Intentionally" — A person acts intentionally with respect to a result or to conduct described by a statute defining an offense when his conscious objective is to cause that result or to engage in that conduct.

(2) "Knowingly" — A person acts knowingly with respect to conduct or to a circumstance described by a statute defining an offense when he is aware that his conduct is of that nature or that the circumstance exists.

PRINCIPLES OF ETHICAL BEHAVIOR

SECTION 5. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The proper operation of democratic government requires that a public official be independent and impartial; that government policy and decisions be made through the established processes of government; that a public official not use public office to obtain private benefits; that a public official avoid action which creates the appearance of using public office to obtain benefit; and that the public have confidence in the integrity of its government and public officials.

SECTION 6. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

As used in this code, unless the context requires otherwise:

(1) (a) "Anything of value" includes, but is not limited to:

1. A pecuniary item, including money, or a bank bill or note;

2. A promissory note, bill of exchange, order, draft, warrant, check, or bond given for the payment of money;

3. A contract, agreement, promise, or other obligation for an advance, conveyance, forgiveness of indebtedness, deposit, distribution, loan, payment, gift, pledge, or transfer of money;

4. A stock, bond, note, or other investment interest in an entity;

5. A receipt given for the payment of money or other property;

6. A right in action;

7. Food, beverages, or entertainment;

8. A gift, tangible good, chattel, or an interest in a gift, tangible good, or chattel;

9. A loan or forgiveness of indebtedness;

10. A work of art, antique, or collectible;

11. An automobile, other means of personal transportation, or the use of an automobile or other means of personal transportation;

12. Real property or an interest in real property including title to realty; a fee simple or partial interest, present or future, contingent or vested, within realty; a leasehold interest; or other beneficial interest in realty;

13. A rebate or discount in the price of anything of value unless the rebate or discount is made in the ordinary course of business as a member of the public without regard to that person's status as a legislator;

14. A service, including labor, professional service, transportation, telephone, electricity, gas, water, or other public service; accommodation in hotels, or elsewhere; and use of vehicles or other movable property;

15. A promise or offer of employment; or

16. Any other thing of value that is pecuniary or compensatory in value to a person, or the primary significance of which is economic gain.

(b) "Anything of value" does not include:

1. A campaign contribution properly received and reported, if reportable, as required under state or federal campaign finance laws;

2. Compensation, food, beverages, entertainment, transportation, lodging, or other goods or services extended by a legislator's private employer or person other than a lobbyist;

3. A usual and customary loan made in the ordinary course of business, without regard to the recipient's status as a legislator, and by a person or institution authorized by law to engage in the business of making loans;

4. The cost of attendance or participation, and of food and beverages consumed, at events:

a. To which all members of the Kentucky Senate or the Kentucky House of Representatives, or both, are invited;

b. To which a caucus of legislators approved as a caucus by the Legislative Research Commission is invited; or

c. Sponsored or coordinated by a state or local government entity, including a state institution of higher education;

5. Plaques, certificates, or other awards given to a legislator if the value of the award does not exceed one hundred dollars ($100);

6. The cost, paid or reimbursed by the Legislative Research Commission, of attendance or participation, and of food and beverages consumed, at events sponsored or coordinated by multistate or national organizations of, or including, state governments, state legislatures, or state legislators if the attendance and expenditures by the legislator are approved in advance by the Legislative Research Commission;

7. The cost of attendance or participation, and of food and beverages consumed, at events sponsored by a civic, charitable, or community organization which does not directly employ a lobbyist, if the general membership of the group is invited;

8. Informational, promotional, or educational material;

9. A gift or gifts from one member of the General Assembly to another member of the General Assembly;

10. A gift that:

a. Is not used; and

b. No later than thirty (30) days after receipt, is returned to the donor or delivered to a charitable organization and is not claimed as a charitable contribution for federal income tax purposes;

11. Anything for which the recipient pays or gives full value prior to or contemporaneous with its receipt; or

12. A gift from a person related by blood or marriage or a member of the legislator's household.

(2) "Business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, professional service corporation, or any legal entity through which business is conducted for profit;

(3) "Business associate" includes the following:

(a) An employer;

(b) A general or limited partnership, or a general or limited partner within the partnership;

(c) A corporation that is family-owned or in which all shares of stock are closely-held, and the shareholders, owners, and officers of such a corporation;

(d) A corporation in which the legislator, candidate, or other person subject to Sections 1 to 37 of this Act has an investment interest, owns, or has a beneficial interest in shares of stock which constitute more than:

1. Five percent (5%) of the value of the corporation, or

2. Five thousand dollars ($5,000) at fair market value;

(e) A corporation, business association, or other business entity in which the legislator, candidate, or other person subject to Sections 1 to 37 of this Act serves as an agent or a compensated representative; and

(f) An association not otherwise covered by this definition between the legislator, candidate, or other person subject to Sections 1 to 37 of this Act, and another person, which involves the conduct of a common enterprise;

(4) "Child" means daughter, son, stepdaughter, or stepson;

(5) "Candidate" means any person who has officially filed as a candidate for election or is nominated for office by his party under KRS 118.105, 118.115, or 118.325 as a Senator or Representative in the Kentucky General Assembly and includes any person who has been elected to serve as a Senator or Representative in the Kentucky General Assembly who has not yet taken the oath of office as a Senator or Representative;

(6) "Commission" means the Kentucky Legislative Ethics Commission;

(7) (a) "Compensation" means any payment or promise to pay money, salary, or other economic benefit conferred on, or received by any person in return for services rendered, or to be rendered, by himself or another.

(b) "Compensation" does not include reimbursement of expenses if:

1. The reimbursement does not exceed the amount actually expended for the expenses;

2. It is substantiated by an itemization of expenses; and

3. No portion of the reimbursed expense is used to give anything of value to a legislator, candidate, or the spouse of a legislator or candidate;

(8) "Ethical misconduct" means any violation of the Kentucky Code of Legislative Ethics;

(9) "Family" includes a person's spouse, child, parent, brother, sister, grandparent, grandchild, father-in-law, mother-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, and half sister;

(10) "Filer" means a person required to file a statement of financial interests under Section 11 of this Act;

(11) (a) "Financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, ownership, or part ownership in common of any real or personal property or any commercial or business enterprise of whatever form or nature between a registered lobbyist or registered lobbyist's principal and a candidate or legislator or the spouse of a candidate or legislator;

(b) "Financial transaction" does not include any transaction or activity described in paragraph (a) of this subsection if it is available to the general public on the same terms;

(12) "Former legislator" means a person who previously held a position as a legislator and who no longer holds that position;

(13) (a) "Honorarium" means any payment of money or anything of value paid directly or indirectly for any appearance, discussion, speech, article, or travel-related expenses in excess of actual and necessary ones.

(b) "Honorarium" does not include:

1. The payment for any appearance, discussion, speech, article, or travel expenses related to employment held outside the legislator's governmental position; or

2. Reimbursement for actual travel, and not more than one (1) day's actual lodging, and meal expenses by the Legislative Research Commission which may be reimbursed by a person, business, or organization wishing to sponsor the travel;

(14) "Legislator" means a member of the Kentucky General Assembly;

(15) (a) "Lobby" means to communicate directly or solicit others to communicate with any legislator with the purpose of influencing any legislative action or any action by the legislator in his official capacity.

(b) "Lobbying" does not include:

1. Appearances before public meetings of the committees and interim committees of the General Assembly;

2. News, editorial, and advertising statements published in newspapers, journals, or magazines, or broadcast over radio or television;

3. The gathering and furnishing of information and news by bona fide reporters, correspondents, or news bureaus to news media described in paragraph (b)2. of this subsection;

4. Publications primarily designed for, and distributed to members of, bona fide associations or charitable or fraternal nonprofit corporations;

5. Professional services in drafting bills or resolutions, preparing arguments on these bills or resolutions, or in advising clients and rendering opinions as to the construction and the effect of proposed or pending legislation, if the services are not otherwise connected with lobbying; or

6. The action of any person not engaged by a lobbyist's principal who has a direct interest in legislation, if the person, acting under Section 1 of the Kentucky Constitution assembles together with other persons for their common good, petitions any legislator for the redress of grievances or other proper purposes;

(16) (a) "Lobbyist" means any person who, for compensation, is employed, appointed, or retained in whole or in part to lobby.

(b) "Lobbyist" does not include:

1. Any person who limits his lobbying activities to appearing before public meetings of legislative committees, subcommittees, or task forces, or public hearings or meetings of public agencies;

2. A public servant acting in his official capacity as a representative of his agency, college, university, or city, county, urban-county, or charter county government, except persons engaged by a de jure municipal corporation of the Commonwealth, such as the Kentucky Lottery Corporation or the Kentucky Housing Corporation, or local governments, whose primary responsibility during sessions of the General Assembly is to lobby; or

3. A private citizen who receives no compensation for lobbying and who expresses a personal opinion.

(17) "Lobbyist's principal" means any person who employs, appoints, or retains a lobbyist;

(18) "Through others" means a scheme, artifice, or mechanism, the sole purpose of which is to accomplish by indirect means, using third parties, results which would be unlawful under this code if accomplished directly between a legislator or candidate and another person or entity;

(19) "Public servant" means:

(a) Any public officer or employee of the state or of any political subdivision of the state or of any governmental instrumentality within the state; or

(b) Any person exercising the functions of any of those public officers or employees; or

(c) Any person participating as adviser, consultant or otherwise in performing a governmental function; or

(d) Any person elected, appointed or designated, or who has officially filed as a candidate for election to become a public servant although not yet occupying that position; and

(20) "Unlawful practice" means any ethical misconduct or other violation, civil or criminal, over which the commission has jurisdiction to investigate, penalize, or both.

STANDARDS OF CONDUCT

SECTION 7. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislator, by himself or through others, shall not knowingly:

(a) Use or attempt to use his influence in any matter which involves a conflict between his personal or private interest and his duties in the public interest;

(b) Use his official position or office to obtain financial gain for himself or any members of his family;

(c) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in direct contravention of the public interest;

(d) Use or attempt to use any means to influence a public agency in direct contravention of the public interest;

(e) Use public funds for his personal or private use or that of another unless authorized by law;

(f) Use public funds for political campaign purposes;

(g) While in the discharge of the duties of his office, become intoxicated by the use of spiritous, vinous, or malt liquors, or any controlled substance, as defined in KRS 218A.010. Any legislator who is unable, incompetent, or disqualified to discharge any of the duties of his office because of the use of spiritous, vinous, or malt liquors, or any controlled substance as defined in KRS 218A.010, shall be deemed to have violated this subsection;

(h) Use his official legislative stationery, or a facsimile thereof, to solicit a vote or a contribution for his or another person's campaign for election or reelection to public office, or use the great seal of the Commonwealth on his campaign stationery or literature. For purposes of this subsection, "official legislative stationery" means the stationery used by a legislator on a day-to-day basis for correspondence related to his duties as a member of the General Assembly; or

(i) Violate any law outside of this code, as evidenced by a conviction or other final adjudication, for conduct relating to his duties as a legislator.

(2) Any person who violates any provision of this section shall be guilty of ethical misconduct, which is not a criminal offense, and which shall be subject to such civil penalties as the commission shall impose from those set forth in Section 31 of this Act. These penalties shall be in addition to any criminal penalties imposed for violation of any other provision of this code or other law.

SECTION 8. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator or a candidate shall not:

(1) Commit bribery as prohibited by KRS 521.020; or

(2) Misuse confidential information as prohibited by KRS 522.040.

(3) Violation of this section shall be punishable as provided in the Kentucky Penal Code and shall upon conviction result in additional penalties specified in Section 30 of this Act.

SECTION 9. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator or candidate by himself, or through others, shall not intentionally:

(1) Solicit, accept, or agree to accept anything of value from a registered lobbyist. Violation of this provision is ethical misconduct, unless the amount of money or value of a thing or service involved in the commission of the offense exceeds three hundred dollars ($300), in which case it is a Class A misdemeanor. It shall be no defense that the thing of value was not the property of the lobbyist at the time of the transaction. It shall be a complete defense if the legislator or candidate receives something of value from a person registered as a lobbyist, which fact is unknown to the legislator or candidate at the time of receipt, if the legislator or candidate either returns the item or pays full value for it within fourteen (14) days of receipt and within fourteen (14) additional days makes that fact, together with the name of the donor, item, and its value and the date of return or payment known, in writing to the commission. It shall also be a defense if a legislator or candidate receives a thing of value from a registered lobbyist whose name does not yet appear on the list of lobbyists furnished to the Legislative Research Commission if the legislator or candidate either returns the thing or pays the full value for the item within fourteen (14) days of the Legislative Research Commission's receipt of the list bearing the name of the registered lobbyist and makes the written disclosure to the commission required in this subsection. The fourteen (14) day time periods shall be tolled upon the filing with the commission of a request for an advisory opinion regarding the thing of value. Upon the issuance of the opinion or decision not to render an opinion, the fourteen (14) day period shall resume;

(2) Accept a campaign contribution from a registered lobbyist. Violation of this provision is ethical misconduct, unless the amount of the contribution involved in the commission of the offense exceeds three hundred dollars ($300), in which case it is a Class A misdemeanor. In addition the court may upon conviction order the amount contributed to be paid by the defendant to the commission.

It shall be a complete defense if the legislator or candidate receives a campaign contribution from a person registered as a lobbyist, which fact is unknown to the legislator or candidate at the time of receipt, if the legislator or candidate either returns the contribution within fourteen (14) days of receipt and within fourteen (14) additional days makes that fact, together with the name of the donor, item, and its value and the date of return or payment known, in writing to the commission. It shall also be a defense if a legislator or candidate receives a campaign contribution from a registered lobbyist whose name does not yet appear on the list of lobbyists furnished to the Legislative Research Commission if the legislator or candidate returns the campaign contribution within fourteen (14) days of the Legislative Research Commission's receipt of the list bearing the name of the registered lobbyist and makes the written disclosure to the commission required in this subsection. The fourteen (14) day time periods shall be tolled upon the filing with the commission of a request for an advisory opinion regarding the thing of value. Upon the issuance of the opinion or decision not to render an opinion, the fourteen (14) day period shall resume;

(3) Accept compensation, other than that provided by law for members of the General Assembly, for performance of legislative duties. Violation of this provision is a Class A misdemeanor;

(4) Accept any honorarium. Violation of this provision is ethical misconduct, unless the amount of money or value of the honorarium involved in the commission of the offense exceeds three hundred dollars ($300), in which case it is a Class A misdemeanor. In addition the court may upon conviction order the amount of the honorarium to be paid by the defendant to the commission;

(5) Either while serving as a legislator, or as a former legislator, for a period of at least two (2) years after the date on which he vacated his office, accept employment, appointment, or retention as a lobbyist. Violation of this provision is ethical misconduct. In addition to the penalties authorized for ethical misconduct, the lobbyist registration of the former legislator may be revoked and the former legislator may be prohibited from registering as a lobbyist for a period of five (5) years from the date of the commission's finding that a violation occurred;

(6) Act as officer or agent for the Commonwealth or any state agency in the transaction of any business with himself, or with any business in which he or his spouse has any interest greater than five percent (5%) of the total value thereof. Violation of this provision is a Class D felony;

(7) Undertake, execute, hold, or enjoy, in whole or in part, any contract, agreement, sale, or purchase of the value of one hundred dollars ($100) or more per transaction, made, entered into, awarded, or granted by any state agency, except:

(a) Contracts, agreements, sales, or purchases between a state agency and a business in which the legislator and his spouse, collectively, own or control an interest of five percent (5%) or less;

(b) Contracts, agreements, sales, or purchases made or let after public notice and competitive bidding; or

(c) Contracts, agreements, sales, or purchases which are available on similar terms to members of the legislator's business, occupation, or profession; or

(d) Contracts or agreements entered into prior to the time the legislator became a candidate.

Violation of this provision is a Class D felony. The court upon conviction may void the contract agreement, sale, or purchase violating this provision;

(8) Lease or sell any facility, building, or other real property to a state agency while in office. This provision shall not apply to sales or leases made pursuant to KRS Chapter 416 relating to eminent domain, to sales or leases entered into prior to the effective date of this section, or to transactions between a state agency and a business in which the legislator and his spouse collectively own or control an interest of five percent (5%) or less. This subsection shall not apply to a lease or sale in which consideration is less than five dollars ($5) in the event of a sale, or five dollars ($5) per year in the event of a lease. Violation of this provision is a Class D felony. The court upon conviction may void any sale or lease violating this provision;

(9) Take, threaten, or promise to take, withhold, promise to withhold, or threaten to withhold any action in his official capacity in order to promote or secure employment of, or with regard to the discipline of, his spouse or child by any agency of state government. Violation of this provision is ethical misconduct;

(10) Except for purely ministerial matters which do not require discretion on the part of the state agency, or matters within the discharge of official duties, represent persons for compensation, before or in negotiations with state agencies regarding:

(a) The contracting for or purchase, sale, rental, or lease of real property, goods, or services, from or to a state board, commission, or agency;

(b) Any proceeding relating to rate making;

(c) The adoption, amendment, or repeal of any administrative regulation;

(d) The obtaining of grants of money or loans; or

(e) Licensing or permitting.

Notwithstanding any other provisions of this section, an attorney or other licensed professional may appear or negotiate on behalf of his client in or in conjunction with any court proceedings.

This subsection shall not apply to adversarial proceedings, which for the purpose of this section are defined as proceedings in which decisions are made based upon evidence presented as measured against established standards, with parties having the right to appeal the decision on the record to court; nor shall it apply to persons who are members of a partnership with a legislator or to businesses with which the legislator is associated or in which the legislator owns or controls an interest unless the fact of that association or interest is used to influence or attempt to influence the state agency in rendering its decision. Violation of this provision is ethical misconduct;

(11) Appear before a state agency as an expert witness. Violation of this provision is a Class D felony;

(12) Receive any portion of the compensation paid to a lobbyist for lobbying. Violation of this provision is a Class D felony;

(13) Deliberate, vote, or make a decision in his official capacity on any matter:

(a) In which he or any member of his family will derive a direct monetary gain or suffer a direct monetary loss as a result of his vote or decision; or

(b) Which relates specifically to a business in which he owns or controls an interest of five thousand dollars ($5,000) or more, or an interest of more than five percent (5%).

Violation of this provision is a Class D felony. The provisions of this subsection notwithstanding, a legislator may vote on legislation affecting his salary, expenses, benefits, and allowances, as provided by law. The provisions of this subsection notwithstanding, a legislator may deliberate, vote, or make a decision on a matter if any benefit or detriment which accrues to the member of the General Assembly, as a member of a business, profession, occupation, or other group, or to a member of his family or a business interest specified in subsection (13)(b) of this section is of no greater extent than the benefit or detriment which accrues generally to other members of the business, profession, occupation, or other group;

(14) Accept any appointment or serve as an officer or employee of the Commonwealth or any state agency, except as a member of the faculty or staff of any state university or community college or as an employee of a local public school board, or as provided in Section 165 of the Constitution of Kentucky, unless he shall first have resigned his membership in the General Assembly. Violation of this provision is a Class D felony; or

(15) Accept any appointment or serve as a member of any board, commission, or special district governing body created pursuant to the statutes listed in KRS 65.060 which has the power to levy taxes, unless he shall have first resigned his membership in the General Assembly. Violation of this provision is ethical misconduct.

SECTION 10. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator who has a personal or private interest in a bill proposed or pending before the General Assembly shall be subject to the limitations of Section 57 of the Constitution of Kentucky, which provides that the legislator shall disclose his interest to the house of which he is a member and refrain from voting upon pain of expulsion.

FINANCIAL DISCLOSURE

SECTION 11. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each legislator and candidate shall file a statement of financial interests which shall include full, complete and accurate information for the preceding calendar year concerning the following:

(a) Name, title of public position or office, business address, business telephone number, and home address of the filer;

(b) Identity of any other occupations of the filer and his spouse;

(c) Description of each source of income, without identifying individual customers or clients, unless the income is from a registered lobbyist, in which case the amount received and the identity of the registered lobbyist shall be disclosed, from which the filer or his spouse received one thousand dollars ($1,000) or more of income, as well as information concerning the nature of the business or organization and the form of the income;

(d) Name and address of each business in which the filer or his spouse owned at least a ten thousand dollar ($10,000) interest or an interest greater than five percent (5%), indicating, by category, whether each interest is valued at either less than fifty thousand dollars ($50,000) or at fifty thousand dollars ($50,000) or more;

(e) Description and location of all real property other than the filer's primary residence in which the filer or his spouse owned at least a ten thousand dollar ($10,000) interest or an interest greater than five percent (5%), indicating, by category, whether each real property is valued at either less than fifty thousand dollars ($50,000) or at fifty thousand dollars ($50,000) or more;

(f) Name of any creditor, excluding family members, to whom the filer or his spouse, separately or together, owed ten thousand dollars ($10,000) or more, except debts arising from the purchase of consumer goods;

(g) Identity of each business or entity in which the filer or his spouse, separately or together, held securities valued at ten thousand dollars ($10,000) or more, indicating, by category, whether each security is valued at either less than fifty thousand dollars ($50,000) or at fifty thousand dollars ($50,000) or more;

(h) Every officership, directorship, or other fiduciary relationship held in a business by the filer or his spouse;

(i) The name of any lobbyist who is:

1. A member of the filer's family;

2. A partner of the filer, or a partner of the filer's spouse;

3. An officer or director of the filer's employer;

4. An employer of the filer or an employer of the filer's spouse; or

5. A business associate of the filer or a business associate of the filer's spouse;

(j) The names of any of the filer's clients who have registered as lobbyists or lobbyists principals;

(k) List a description of all contracts, loans, joint interests in real or personal property, and any other financial transactions between the filer, his spouse or minor child and a registered lobbyist or a registered lobbyist's principal;

(l) The details of and amounts of money, things of value (including the value thereof), or services (including the value thereof) received out of state by a legislator or candidate (or by the spouse or minor child of a legislator or candidate) from a registered lobbyist; and

(m) A listing by name and services rendered of any client who, for compensation, was represented by the filer before an agency of state government, except no listing shall be required for any client represented in a ministerial matter or an adversarial proceeding, as provided in Section 9 of this Act.

(2) Except as they otherwise specifically provide, paragraphs (a) to (m) of subsection (1) of this section shall not require disclosure of specific dollar amounts.

(3) The information shall be filed on a form prescribed by the commission by an administrative regulation promulgated pursuant to KRS Chapter 13A.

(4) The statement of financial interests shall become a public record available for public inspection and copying when received by the commission.

SECTION 12. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Sections 11 to 13 of this Act do not require the disclosure of financial information concerning the following:

(1) A spouse legally separated from a filer;

(2) A former spouse of a filer;

(3) A gift or loan to or from a family member; or

(4) A campaign contribution permitted and reported pursuant to KRS Chapter 121 or 121A.

SECTION 13. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The statement of financial interests required by Section 11 of this Act shall be filed with the commission for the preceding calendar year by no later than February 15 of each year, complete through December 31 of the preceding year, except that:

(a) A candidate nominated by his party under KRS 118.105, 118.115, 118.325, or 118.710 to 118.775 shall file his statement no later than twenty-one (21) days after the date of his nomination; and

(b) The commission may grant a reasonable extension of time for filing a statement of financial interests for good cause shown.

(2) The commission shall notify by certified mail each person required to file a statement of financial interests who fails to file the statement in a timely manner, completely, or in the form required by the commission. The notice shall specify the type of failure or delinquency and shall advise the person of the penalties for violation of this section.

(3) (a) Any person who fails to file the statement in a timely manner may be fined by the commission an amount not to exceed one hundred dollars ($100) for each day of delinquency, up to a maximum total fine of one thousand dollars ($1,000). Any person who fails to remedy a deficiency in his filing identified by the commission in the notice under subsection (2) of this section may be fined by the commission an amount not to exceed one hundred dollars ($100) for each day after he receives the notice until he cures the deficiency, up to a maximum total fine of one thousand dollars ($1,000), except if an extension of time has been granted pursuant to paragraph (b) of subsection (1) of this section. Any person who fails to file the statement within sixty (60) days after receiving notice of failure to file or who fails to cure a deficiency in his filing within sixty (60) days after receiving notice of the deficiency from the commission shall be guilty of a Class D felony. Any person who fails to file within one hundred eighty (180) days of the initial filing date, with or without notice from the commission, is guilty of a Class D felony.

(b) Any person who knowingly files a statement of financial interest which he knows to contain false information or to omit required information shall be guilty of ethical misconduct.

LOBBYING

SECTION 14. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The General Assembly finds and declares that the operation of an open and responsible government requires the fullest opportunity to be afforded to the people to petition their government for the redress of grievances and to express freely to any officials of the legislative department of state government their opinions on legislation, on pending administrative regulations and other policy decisions by legislators and legislative bodies, and on current issues. The preservation of the integrity of the governmental decision-making process is essential to the continued functioning of an open government. In order to preserve and to maintain the integrity of the process, the General Assembly finds that it is necessary to regulate and publicly disclose the identity, expenditures, and activities of those persons who regularly engage in efforts to influence legislative decision-making.

Registration

SECTION 15. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each lobbyist shall register with the commission within five (5) days after being employed, appointed, or retained as a lobbyist.

(2) Each lobbyist shall pay a registration fee of two hundred fifty dollars ($250) to the commission for each lobbyist's principal that he represents. A registration fee shall not be required for a lobbyist who is a public servant acting in his official capacity.

(3) The registration shall expire on December 31 of each odd-numbered year.

(4) The lobbyist's registration statement shall be on a form prescribed by the commission by an administrative regulation promulgated pursuant to KRS Chapter 13A and shall include the following information:

(a) The lobbyist's name, business and home address, and business and home telephone number;

(b) The name, business address, and telephone number of each of the lobbyist's principals;

(c) A description of the nature of the business of each of the lobbyist's principals;

(d) The date the lobbyist was employed, appointed, or retained as a lobbyist;

(e) A written authorization to act as a lobbyist signed by the lobbyist's principal;

(f) A description of the legislative action for which the lobbyist is or will be engaged in lobbying;

(g) The compensation received or promised by each lobbyist's principal for engaging in lobbying during the registration period or portion thereof remaining, itemized by salary, fees, retainers, reimbursements, benefits, and any other consideration. A lobbyist who is paid a single amount to be utilized for both compensation and lobbying expenses shall indicate that fact. A person who lobbies as one (1) of his job responsibilities shall multiply the percentage of his time spent lobbying by the lobbyist's total compensation to determine the compensation to be reported; and

(h) Certification by the lobbyist that the information contained in the registration statement is complete and accurate.

(5) A lobbyist shall file a supplemental registration statement on a form prescribed by the commission indicating any change in the information contained in the prior registration within five (5) days after the date of the change.

(6) Each lobbyist who ceases to engage in lobbying shall file a written statement with the commission acknowledging the termination of lobbying.

(7) The registration statement and any supplemental registration statements shall be public records.

(8) All fees collected by the commission under the provisions of this section shall be deposited in the State Treasury in a trust and agency fund account to the credit of the commission. These agency funds shall be used to supplement general fund appropriations to the commission.

(9) Upon registration pursuant to subsection (1) of this section, the lobbyist shall be issued an identification badge. The badge shall be brightly colored and shall be worn at all times during which the lobbyist is lobbying on the grounds of the New State Capitol and the New State Capitol Annex.

(10) The provisions of this section apply to transactions both in and out of the Commonwealth.

(11) Any lobbyist who knowingly violates any subsection of this section except subsection (9) shall be guilty of ethical misconduct, and, in addition to the penalties authorized for ethical misconduct may upon conviction be prohibited by the court from registering as a lobbyist for five (5) years from the date of conviction. Any lobbyist who knowingly violates subsection (9) of this section shall be subject to such civil penalties as the commission shall impose from those set forth in Section 31 of this Act. Any lobbyist who knowingly files a report under this section that he knows is inaccurate or incomplete shall be subject to the penalties of this subsection.

SECTION 16. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each lobbyist's principal shall register with the commission within five (5) days of employing, appointing, or retaining lobbyist. A lobbyist's principal shall not be subject to a registration fee.

(2) Each lobbyist's principal shall cause each lobbyist employed, appointed, or retained by him to register with the commission pursuant to Section 15 of this Act.

(3) The registration shall expire on December 31 of odd-numbered years.

(4) The registration statement of the lobbyist's principal shall be on a form prescribed by the commission by an administrative regulation promulgated pursuant to KRS Chapter 13A and shall include the following information:

(a) The lobbyist's principal's full name, address, and telephone number.

(b) Description of the nature of the business of the lobbyist's principal;

(c) Name, home and business address, and home and business telephone number of each lobbyist employed, appointed, or retained by the lobbyist's principal and the date on which the lobbyist was employed, appointed, or retained; and

(d) Certification by the lobbyist's principal that the information contained on the registration form is complete and accurate.

(5) A lobbyist's principal shall file a supplemental registration statement on a form prescribed by the commission by an administrative regulation promulgated pursuant to KRS Chapter 13A, indicating any change in the information contained in the prior registration within five (5) days after the date of the change.

(6) The registration statement and any supplemental statements shall be public records.

(7) Each lobbyist's principal who terminates the employment, appointment, or retention of a lobbyist shall file a written statement with the commission acknowledging the termination of the lobbyist.

(8) Any lobbyist's principal who knowingly violates this provision shall be guilty of ethical misconduct, and, in addition to the penalties authorized for ethical misconduct, may upon conviction be prohibited from employing, appointing, or retaining a lobbyist for five (5) years from the date of conviction. Any lobbyist's principal who knowingly files a report under this section that he knows is inaccurate or incomplete shall be subject to the penalties of this subsection.

Prohibited Practices by Lobbyists
and Lobbyist's Principals

SECTION 17. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A lobbyist shall not intentionally, directly or through others, offer, give, or agree to give anything of value to a legislator or candidate. Violation of this provision is ethical misconduct, unless the amount of money or value of a thing or service involved in the commission of the offense exceeds three hundred dollars ($300), in which case it is a Class A misdemeanor. It shall be no defense that the thing of value was not the property of the lobbyist at the time of the transaction.

(2) A lobbyist shall not serve as a campaign treasurer, or as a fundraiser as defined in KRS 121.015 for a candidate or legislator. Violation of this provision is ethical misconduct.

(3) A lobbyist shall not make a campaign contribution to a legislator, a candidate, or his campaign committee. Violation of this provision is ethical misconduct.

(4) A lobbyist or a lobbyist's principal shall not offer, solicit, or accept compensation dependent in any manner upon the passage or defeat of any legislative action, or upon any contingency connected with legislative action. Violation of this provision is a Class D felony.

(5) A lobbyist shall not go upon the floor of either house of the General Assembly while the house is in session, except upon invitation of that house. Violation of this provision is a Class B misdemeanor, and the registration of the lobbyist may be suspended upon order of the commission for a period not to exceed sixty (60) legislative days.

(6) A lobbyist shall not attempt, by coercion, intimidation, or bribery, or by the offer of political support for nomination or election, or by the offer of a newspaper's support for nomination or election, to influence any legislator in the discharge of the duties of his office. Violation of this provision is a Class D felony.

(7) A lobbyist's principal shall not knowingly employ, appoint, or retain a legislator's spouse or child as a lobbyist. Violation of this provision is ethical misconduct. This provision shall not apply to the continuation of employment, appointment, or retention of a legislator's spouse or child registered as a lobbyist with the Attorney General on the effective date of this Act.

(8) A spouse or child of a legislator shall not knowingly accept employment, appointment, or retention as a lobbyist. Violation of this provision is ethical misconduct. This provision shall not apply to the continuation of employment, appointment, or retention of a legislator's spouse or child registered as a lobbyist with the Attorney General on the effective date of this Act.

(9) A lobbyist's principal shall not knowingly employ, appoint, or retain a serving legislator or former legislator as a lobbyist until at least two (2) years have elapsed from the date on which the term of office of the legislator expires, even if the office was vacated earlier. Violation of this provision is ethical misconduct.

(10) A lobbyist's principal shall not knowingly, by himself or through others, offer, give, or agree to give anything of value, except food and beverages not exceeding a total cost of one hundred dollars ($100) in a calendar year, to any legislator or candidate. Violation of this provision shall constitute ethical misconduct for a first offense, and shall be a Class D felony for a second or subsequent offense. No legislator or candidate shall be subject to prosecution in connection with a violation of this provision by a lobbyist's principal unless he intentionally conspired with the lobbyist's principal to violate this provision.

(11) In addition to the penalties specified for violations of this section, the registration of the lobbyist or lobbyist's principal may be revoked by the court and the lobbyist or lobbyist's principal may be prohibited by the court from registering for a period of five (5) years from the date of conviction or the date of the commission's finding that an ethical misconduct occurred.

Lobbying Report

SECTION 18. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each lobbyist and his lobbyist's principal shall file a joint lobbying report with the commission. The lobbying report shall be filed to be received by the commission or postmarked on or before:

(a) The fifteenth day of January, February, March, April and May, and the fifteenth day of September of each even-numbered year, and the fifteenth day of January, May, and September in each odd-numbered year;

(b) Within thirty (30) days after the adjournment sine die of any extraordinary session for the period beginning on the ending date of the previous report and ending on the date of adjournment of the session; and

(c) Within thirty (30) days after the resignation or termination of a registered lobbyist for the period from the ending date of the previous report to the date of resignation or termination.

(2) The initial report shall cover the period from the beginning date of lobbying activities in the year in which registration occurs. All subsequent reports shall cover lobbying activities since the period covered by the previous report.

(3) The report shall be on a form prescribed by the commission by an administrative regulation promulgated pursuant to KRS Chapter 13A and shall include the following information:

(a) The name, address, and telephone number of the lobbyist's principal;

(b) A description of the nature of the business of the lobbyist's principal;

(c) The name of each lobbyist employed, appointed, or retained by the lobbyist's principal;

(d) A description of the legislative action for which the lobbyist engaged in lobbying;

(e) The compensation paid or promised to each lobbyist, itemized by salary, fees, retainers, reimbursements, benefits, and any other considerations. For a lobbyist who is paid a single amount for both compensation and lobbying expenses, the lobbyist's principal shall report the single amount and the portion of the amount attributable to compensation. For each lobbyist who lobbies as one (1) of his job responsibilities, the lobbyist's principal shall multiply the percentage of time his lobbyist spent lobbying by the lobbyist's total compensation to determine the compensation to be reported;

(f) A complete and itemized account of all amounts expended for receptions or other events held under Section 6 of this Act, including the date and location of the event and the name of the group of legislators invited to the event;

(g) A complete and itemized account of all amounts expended for food and lodging expenses and reimbursements, other than for his personal food, lodging, and transportation expenses, including the identity of any legislator for whom the filer purchased food or beverages and the date and amount of the purchases;

(h) The amount of each campaign contribution made to any candidate for public office by the lobbyist and the lobbyist's principal, including the date each contribution was made and the name of the candidate to whom it was given;

(i) The details of amounts of money, things of value (including the value thereof), or services (including the value thereof) given out of state to a legislator or candidate (or to the spouse or minor child of a legislator or candidate) by the lobbyist;

(j) The details, including date, amount, and purpose of any compensation, fees, or other consideration paid by the lobbyist to, and any financial transaction with or for the benefit of, a candidate or legislator or a spouse or minor child of a candidate or legislator; and

(k) Certification by the lobbyist and the lobbyist's principal that the information contained in the report is complete and accurate.

(4) The lobbying report shall be a public record.

(5) All accounts, bills, receipts, books, papers, and other documents necessary to substantiate the lobbying report shall be obtained, organized, and preserved by the lobbyist's principal and any lobbyist engaged by the principal for five (5) years after the date of filing the lobbying report.

(6) The commission shall notify by certified mail each person required to file a statement required by this section who fails to file the statement in a timely manner, completely, or in the form required by the commission. The notice shall specify the type of failure or delinquency and shall advise the person of the penalties for violation of this section.

(7) Any person who fails to file the statement in a timely manner may be fined by the commission an amount not to exceed one hundred dollars ($100) for each day of delinquency up to a maximum total fine of one thousand dollars ($1,000). Any person who fails to remedy a deficiency in his filing identified by the commission in the notice under subsection (6) of this section may be fined by the commission an amount not to exceed one hundred dollars ($100) for each day after he receives the notice until he cures the deficiency up to a maximum total fine of one thousand dollars ($1,000). Any person who fails to file the statement within sixty (60) days after receiving notice of failure to file, or who fails to cure a deficiency in his filing within sixty (60) days after receiving of the deficiency from the commission shall be guilty of a Class D felony. Any person who fails to file within one hundred eighty (180) days of the initial filing, with or without notice from the commission, is guilty of a Class D felony. Any person who knowingly files a statement required by this section which he knows to contain false information or to omit required information shall be guilty of a Class D felony.

(8) In addition to the criminal penalties provided by subsection (7) of this section, upon conviction any lobbyist or lobbyist's principal who violates this section shall be prohibited from registering as a lobbyist or a lobbyist's principal for five (5) years from the date of conviction.

KENTUCKY LEGISLATIVE ETHICS COMMISSION

SECTION 19. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky Legislative Ethics Commission is established as an independent authority and shall be an agency of the legislative department of state government.

(2) The commission shall be composed of nine (9) members, not less than three (3) of whom shall be members of the largest minority party. The members shall be appointed in the following manner: four (4) members shall be appointed by the President of the Senate (one (1) to be a former legislator, one (1) to be a vested member of the Judicial Retirement System, and two (2) to be selected (one (1) from each list) from lists provided pursuant to subsection (3) of this section), and four (4) members shall be appointed by the Speaker of the House (one (1) to be a former legislator, one (1) to be a vested member of the Judicial Retirement System, and two (2) to be selected (one (1) from each list) from lists provided pursuant to subsection (3) of this section). One (1) member shall be appointed by the Legislative Research Commission. No member of the General Assembly shall be eligible for appointment to the commission.

(3) The following persons or organizations shall each submit a list of three (3) names to the President of the Senate or to the Speaker of the House of Representatives, as appropriate, for consideration for appointment to the commission. Each list shall contain at least one (1) registered voter from the majority political party and at least one (1) registered voter from the largest minority political party. The lists shall be submitted by:

(a) The Attorney General who submits his list to the President of the Senate;

(b) The Auditor of Public Accounts who submits his list to the Speaker of the House;

(c) The Judicial Retirement and Removal Commission which submits its list to the President of the Senate; and

(d) The Registry of Election Finance which submits its list to the Speaker of the House.

Initial lists shall be submitted within forty-five (45) days of the effective date of this Act.

(4) The members of the commission shall be appointed within sixty (60) days of the effective date of this Act. The Speaker of the House shall appoint one (1) member for an initial term of one (1) year, one (1) for a term of two (2) years, one for a term of three (3) years, and one (1) for a term of four (4) years; the President of the Senate shall appoint one (1) member for a term of two (2) years, one (1) member for an initial term of three (3) years, and two (2) members for a term of four (4) years. The Legislative Research Commission shall appoint one (1) member for an initial term of three (3) years. Thereafter all appointments shall be for a full four (4) years.

(5) Vacancies shall be filled by appointment by the original appointing authority in the same manner as the original appointments.

(6) Each member shall be a citizen of the United States and a resident of this Commonwealth. A member of the commission shall not be a public servant, other than in his capacity as a member of the commission; a candidate for any public office; a lobbyist; a lobbyist's principal; or a spouse or child of any of these individuals while serving as a member of the commission. In the two (2) years immediately preceding the date of his appointment, a member shall not have served as a fundraiser, as defined in KRS 121.015, for a candidate for Governor or the General Assembly.

(7) A member of the commission shall serve a term of four (4) years and may be reappointed.

(8) While serving on the commission, a member shall not:

(a) Serve as a fundraiser as defined in KRS 121.015 for a candidate or his committee;

(b) Contribute to a candidate or his committee;

(c) Serve as an officer in a political party;

(d) Be a registered lobbyist; or

(e) Participate in the management or conduct of the political campaign of a candidate.

A violation of this subsection shall be a Class A misdemeanor and the court shall upon conviction order the member removed from the commission.

(9) A member of the commission shall be subject to removal by the Legislative Research Commission, but only for conviction of a felony, neglect of duty, misfeasance, malfeasance, or nonfeasance in office. A removed member shall have the right to an immediate appeal to the Franklin Circuit Court.

SECTION 20. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The chair and the vice chair of the commission shall be elected by a majority vote of the members of the commission. The chair and the vice chair shall serve terms of one (1) year and may be reelected. The chair shall preside at meetings of the commission. The vice chair shall preside in the absence or disability of the chair.

(2) The commission shall meet within sixty (60) days of the effective date of this Act. The time and place of the meeting shall be determined by the chair. Thereafter, the commission shall meet at such times deemed necessary at the call of the chair or a majority of its members. A quorum shall consist of five (5) or more members. An affirmative vote of five (5) or more members shall be necessary for commission action.

(3) A member of the commission shall receive one hundred dollars ($100) per day for attending meetings and shall be reimbursed for actual and necessary expenses incurred in the performance of his official duties as a member of the commission.

SECTION 21. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall have jurisdiction over the administration of this code and enforcement of the civil penalties prescribed by this code.

(2) The commission may receive and initiate complaints; initiate investigations on its own motion; and conduct investigations, inquiries, and hearings concerning any matter covered by this code.

(3) The commission may administer oaths; issue subpoenas; compel the attendance of witnesses and the production of papers, books, accounts, documents, and testimony; and have the deposition of witnesses taken in the manner prescribed by the Kentucky Rules of Civil Procedure for taking depositions in civil actions. If a person disobeys or refuses to comply with a subpoena, or if a witness refuses to testify to a matter regarding which he may be lawfully interrogated, the Franklin Circuit Court may, on application of the commission, compel the obedience by proceedings for contempt as in the case of disobedience of a subpoena issued from the Circuit Court or a refusal to testify in Circuit Court. Each witness subpoenaed under this section shall receive for his attendance the fees and mileage provided for witnesses in Circuit Court, which shall be audited and paid upon the presentation of proper vouchers sworn to by the witness.

(4) The commission may render advisory opinions in accordance with Section 23 of this Act.

(5) The commission shall promulgate administrative regulations in accordance with KRS Chapter 13A to implement this code.

(6) The commission shall prescribe and provide forms for reports, statements, notices, and other documents required by this code.

(7) The commission shall determine whether the required statements and reports have been filed and, if filed, whether they conform with the requirements of this code. The commission shall promptly give notice to the filer to correct or explain any omission or deficiency. The commission may make public the fact that a violation has occurred and the nature of it.

(8) Unless otherwise provided in this code, the commission shall make each report and statement filed under this code available for public inspection and copying during regular office hours at the expense of any person requesting copies of them and at a charge not to exceed actual cost, not including the cost of staff required.

(9) The commission shall compile and maintain a current index of all reports and statements filed with the commission in order to facilitate public access to the reports and statements.

(10) The commission shall preserve all filed statements and reports for at least five (5) years from the date of receipt.

(11) The commission shall provide to the Legislative Research Commission a list of every lobbyist registered with the commission, including the name of each entity he represents and the date of his registration. The list shall be furnished on or before the tenth day of every month. Changes in the lists shall be furnished on Friday of each week that the General Assembly is convened in regular or extraordinary session.

(12) Upon the sine die adjournment of a regular session of the General Assembly, the commission shall provide to the Registry of Election Finance a list of each person who was registered as a lobbyist or a lobbyist's principal at any point during the period in which the General Assembly was convened in regular session. Upon the convening, and within fifteen (15) days after the sine die adjournment of, any extraordinary session, the commission shall provide to the Registry of Election Finance a list of each person who was registered as a lobbyist or lobbyist's principal at any point during that period.

(13) In order to carry out the provisions of this code, the commission may contract with any public or private agency or educational institution or any individual for research studies, the gathering of information, the printing and publication of its reports, consulting, or for any other purpose necessary to discharge the duties of the commission.

(14) The commission may conduct research concerning governmental ethics and implement any public educational programs it considers necessary to give effect to this code.

(15) No later than December 1 of each year, the commission shall report to the Legislative Research Commission on the commission's activities in the preceding fiscal year. The report shall include, but not be limited to, a summary of commission determinations and advisory opinions. The report may contain recommendations on matters within the commission's jurisdiction.

(16) No later than July 1 of each odd-numbered year, beginning July 1, 1995, the commission shall submit a report to the Legislative Research Commission which shall contain recommendations for any statutory revisions it deems necessary.

(17) All funds received by the commission from any source shall be placed in a trust and agency account for use by the commission in the administration and enforcement of the provisions of this code. Funds in the trust and agency account shall not lapse.

SECTION 22. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission may employ an executive director who shall serve at the pleasure of the commission.

(2) The executive director shall:

(a) Administer the daily business of the commission and perform the duties assigned by the commission; and

(b) Employ and remove other personnel as necessary to carry out the provisions of this code.

(3) The commission shall fix the compensation of its staff, and the compensation shall be commensurate with that paid to executive branch officials with a similar level of responsibilities.

(4) The staff of the commission shall be exempt from the provisions of KRS 18A.005 to 18A.202.

(5) Each member of the commission and its staff shall file annually a statement of financial interests under Section 11 of this Act for the preceding calendar year with the commission and the Legislative Research Commission. The member or employee shall file the initial statement within ten (10) days of appointment or employment and subsequent statements no later than January 31 of each year thereafter.

(6) A member of the staff of the commission during his term of employment shall not violate the provisions of Section 17 of this Act.

(7) Violation of this section shall subject the person to the same penalties specified in Section 17.

SECTION 23. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission may render advisory opinions concerning matters under its jurisdiction, based upon real or hypothetical circumstances, when requested by:

(a) Any person covered by this code;

(b) Any person who is personally and directly involved in the matter; or

(c) The commission upon its own initiative.

(2) An advisory opinion shall be requested in writing and shall state relevant facts and ask specific questions. The request for the advisory opinion shall remain confidential unless confidentiality is waived, in writing, by the requestor.

(3) The commission shall promulgate administrative regulations to establish criteria under which it may issue confidential advisory opinions. All other advisory opinions shall be published except that before an advisory opinion is made public, it shall be modified so that the identity of any person associated with the opinion shall not be revealed.

(4) The confidentiality of an advisory opinion may be waived either:

(a) In writing by the person who requested the opinion; or

(b) By majority vote of the members of the commission, if a person makes or purports to make public the substance or any portion of an advisory opinion requested by or on behalf of the person. The commission may vote to make public the advisory opinion request and related materials.

(5) (a) A written advisory opinion issued by the commission shall be binding on the commission in any subsequent proceeding concerning the facts and circumstances of the particular case if no intervening facts or circumstances arise which would change the opinion of the commission if they had existed at the time the opinion was rendered. However, if any fact determined by the commission to be material was omitted or misstated in the request for an opinion, the commission shall not be bound by the opinion.

(b) A written advisory opinion shall be admissible in the defense of any criminal prosecution or civil proceeding for violations of this code for actions taken in reliance on that opinion.

SECTION 24. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall accept from any individual, organization, or governmental body, a sworn complaint in writing that states the name of a person alleged to have committed a violation of this code. The complaint shall set forth the specific facts of the alleged violation.

(2) The commission may, upon its own motion, make a complaint in writing stating the name of a person alleged to have committed a violation of this code setting forth the specific facts of the alleged violation. A complaint issued by the commission shall be signed by the chair.

(3) Upon receipt of a complaint, the commission shall determine if a complaint alleges facts sufficient to constitute a violation of this code.

(a) If the commission determines that a complaint does not allege facts sufficient to constitute a violation of this code, it shall dismiss the complaint and notify the complainant and the person alleged to have committed a violation.

(b) If the commission determines that a complaint alleges facts sufficient to indicate that a possible violation of this code has been committed, the commission shall conduct an investigation.

(4) The commission shall forward a copy of the complaint to the person alleged to have committed a violation and:

(a) Notify him that the commission, after evaluating the complaint, has dismissed the complaint; or

(b) Notify him that the commission has decided to conduct a preliminary investigation and forward a general statement of the applicable law.

(5) The commission shall direct that the preliminary investigation be conducted by its staff and may request the assistance of the Kentucky State Police.

(6) The commission shall afford a person who is the subject of a preliminary investigation an opportunity to respond to the allegations in the complaint. The person shall have the right to be represented by counsel, to appear and be heard under oath, and to offer evidence in response to the allegations in the complaint.

(7) If the legislator who is the subject of a preliminary investigation submits a written response to the commission acknowledging that he committed the violation, the commission shall take the applicable action described in Section 27 or 31 of this Act, or both. The commission shall not be required to conduct further investigation or hearings.

(8) The portion of meetings relating to evaluations of complaints and the preliminary investigation shall be closed to the public, except when waived by the legislator who is the subject of the complaint or the preliminary investigation.

(9) A person whose conduct is regulated by this code may request the commission to make an investigation of his own conduct or of allegations made by another person regarding his conduct. The request shall be made in writing and shall set forth in detail the reasons for requesting an investigation.

SECTION 25. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) As soon as the commission finds, in its preliminary investigation, probable cause to believe that a violation of this code has been committed, the commission shall conduct a full investigation. The full investigation shall be initiated by a resolution adopted by the commission which shall state the nature and purpose of the investigation and the actions or activities to be investigated. Upon adoption of the resolution, the commission shall send by certified mail, return receipt requested, a copy of the resolution to each alleged violator who is identified in the resolution and a notice informing the alleged violator that he is a subject of the full investigation.

(2) After receiving notification that the certified mail was received by the alleged violator, or refused, or returned as undeliverable, the commission shall make the resolution public.

SECTION 26. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Within ninety (90) days after the adoption of the resolution issued under Section 25 of this Act, the commission shall hold a public hearing to determine whether a violation has been committed. The commission shall not be required to hold a public hearing if the alleged violator has submitted a written response to the commission acknowledging that he committed the violation and has agreed to corrective actions and penalties imposed by the commission under this code. In that case, the commission shall issue a written explanation of the disposition of the case which shall be public record.

(2) The alleged violator shall have all the protections of due process, including, but not limited to, the right to be represented by counsel, the right to call and examine witnesses, the right to the production of evidence by subpoena, the right to introduce exhibits, and the right to cross-examine opposing witnesses.

(3) The hearing shall be conducted according to Kentucky Rules of Civil Procedure.

(4) The commission shall not find a violation of this code except upon clear and convincing evidence.

(5) After the conclusion of the hearing, the commission shall begin deliberations on the evidence presented at the hearing and shall proceed to determine whether a violation has been committed. The commission may meet in executive session to conduct its deliberations.

(6) Within thirty (30) days after completion of the deliberations, the commission shall publish a written report of its findings of fact, final determination, and applicable orders or recommendations.

SECTION 27. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) If the commission determines that no violation of this code has been committed, it shall immediately issue a written public notice of the determination and send a copy of the notice to the person accused and to the person who made the complaint.

(2) (a) If at any time during the proceedings or at the conclusion of the proceedings the commission determines that there is probable cause to believe that a criminal offense defined as a felony or misdemeanor in this code or under other statutes of this Commonwealth, the commission shall:

1. Notify the appropriate prosecuting authority including, but not limited to, the Attorney General, or the Commonwealth's attorney, or county attorney, of appropriate jurisdiction;

2. Forward to the notified authority the commission's written report of its findings of fact, final determination, and applicable orders or recommendations; evidence collected in its investigation; and any other relevant information; and

3. Cooperate fully with the notified authority in the investigation and prosecution of the case.

(b) The referral of a matter to criminal prosecutory authorities shall not deprive the commission of jurisdiction to complete its proceedings, make findings of fact and a final determination, and impose civil penalties as provided by this code.

(3) If the commission determines that a violation of this code, including a criminal offense described in subsection (2) of this section, has been committed, the commission may impose the civil penalties as set forth in Section 31 of this Act as the commission deems appropriate.

SECTION 28. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Findings of fact or final determinations by the commission that a violation of this code has been committed, or any testimony related to the commission's findings of fact or final determinations, shall not be admissible in criminal proceedings in the courts of the Commonwealth of Kentucky. Evidence collected by the commission may be used in a criminal proceeding if otherwise relevant.

SECTION 29. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Any person found by the commission to have committed a violation of this code may appeal the action in the Franklin Circuit Court. The appeal shall be initiated within thirty (30) days after the date of the final action of the commission by filing a petition with the court against the commission. The commission shall transmit to the clerk of the court a transcript of all evidence considered by the commission at the public hearing. The court shall hear the appeal upon the record as certified by the commission.

(2) The action of Franklin Circuit Court may be appealed, as a matter of right, to the Court of Appeals.

SECTION 30. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislator convicted, while a member of the General Assembly, of a felony relating to his duties as a legislator, in any state or federal court of competent jurisdiction, shall forfeit rights and benefits earned after the effective date of this section under the retirement plan to which contributions have been made as a result of his service in the General Assembly except for the return of his accumulated contributions and interest credited on those contributions.

(2) The payment of retirement benefits ordered forfeited shall be stayed pending any appeal of the conviction. If the conviction is reversed on final judgment, no retirement benefits shall be forfeited.

SECTION 31. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

In punishing a legislator, candidate, lobbyist, or lobbyist's principal who is found guilty of ethical misconduct, in addition to any other penalties provided in this code, the commission may:

(1) Issue a cease and desist order;

(2) Publicly or privately reprimand a violator;

(3) Impose fines or penalties not to exceed two thousand dollars ($2,000);

(4) Order restitution or reimbursement;

(5) Recommend censure;

(6) Recommend to the General Assembly the removal of any legislator; or

(7) Suspend the salary of a legislator who has been convicted of a felony.

ETHICS EDUCATION AND TRAINING

SECTION 32. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The General Assembly finds and declares that the central function of a legislative ethics code is to prevent rather than punish unethical conduct and that prevention depends on an effective and comprehensive ethics education program which provides information about the laws and the principles underlying the laws and which assists legislators in applying the laws and principles to specific situations.

(2) The commission shall establish and conduct a program of ethics education and training including, but not limited to, preparing and publishing an ethics education manual, designing and supervising orientation training courses for new legislators, and designing and supervising current issues and applications seminars for sitting legislators.

(3) The commission shall establish, supervise, and conduct a program of ethics education and training designed specifically for and made available to lobbyists and lobbyist's principals.

SECTION 33. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The ethics education manual shall include, but not be limited to, ethics statutes, administrative regulations, explanations of purposes and principles underlying the laws, explanations of technical and specific legal requirements, examples of practical applications of the laws and principles, a questions-and-answers section regarding common problems and situations, summaries of advisory opinions, and any other information which would inform legislators about the required standards of conduct and assist them in applying those standards to specific situations.

(2) The commission shall provide for the distribution of the manual to legislators and lobbyists covered by this code. The commission shall distribute the first manual no later than one hundred twenty (120) days after confirmation of the first members of the commission. On or before November 1, 1994, the commission shall distribute a supplement including, but not limited to, updates, additions, and revisions. Thereafter, the commission shall distribute revised and updated versions of the manual on or before November 1 of each even-numbered year.

(3) Copies of the manual shall be made available to the public for a reasonable fee, not to exceed the actual cost, but not including the cost of staff required.

SECTION 34. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall:

(a) Design the general curriculum and conduct orientation training courses, which shall include, but not be limited to, explanations and discussions of the ethics laws, administrative regulations, relevant internal policies, specific technical and legal requirements, summaries of advisory opinions, underlying purposes and principles of ethics laws, examples of practical application of the laws and principles, and a question-and-answer participatory segment regarding common problems and situations. The commission shall prepare the methods and materials necessary to implement the curriculum; and

(b) Notify legislators regarding attendance in these courses.

(2) The orientation training courses shall be conducted in January of each year. Each course shall be at least six (6) hours in length and shall be limited to a size that will facilitate participant interaction.

(3) To further facilitate participant interaction, those portions of the courses dedicated to group participation shall be closed to the public.

(4) Each legislator shall complete the initial orientation training course offered under this code. Each legislator who is elected or who serves after the initial orientation training course shall complete the next

orientation training course conducted. The commission may grant permission for a legislator to attend a later course for good cause shown.

SECTION 35. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall:

(a) Design the general curriculum and conduct current issues and applications seminars, which shall include, but not be limited to, discussion of changes in the ethics laws and administrative regulations, new advisory opinions, current ethical issues confronting public servants, practical application of ethics laws and principles to specific issues and situations, and development of problem-solving skills. The commission shall prepare the methods and materials necessary to implement the curriculum; and

(b) Notify legislators regarding attendance in these seminars.

(2) The current issues and applications seminars shall be conducted in January of each year and as many other times in the year as necessary to accommodate the number of legislators required to complete an annual seminar. Each seminar shall be at least three (3) hours in length and shall be limited to a size that will facilitate participant interaction.

(3) To further facilitate participant interaction, those portions of the seminars dedicated to group participation shall be closed to the public.

(4) Each legislator, after completion of an orientation training course, shall complete one (1) current issues and applications seminar annually.

SECTION 36. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A member of a legislator's family shall not be employed or appointed to an office or position in the legislative branch of state government.

(2) Subsection (1) of this section shall not apply to a member of a legislator's family who is employed or appointed to an office or position in the legislative branch of state government prior to the legislator's election to the General Assembly or prior to the effective date of this Act.

SECTION 37. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Nothing in this code shall be construed as repealing or modifying in any way the provisions of any of the criminal or penal laws of this state but shall be held and construed as ancillary and supplemental thereto.

Section 38. KRS 11A.010 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, or any legal entity through which business is conducted for profit;

(2) "Commission" means the Executive Branch Ethics Commission;

(3) "Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another;

(4) "Family" means spouse and children, as well as a person who is related to a public servant as any of the following, whether by blood or adoption: parent, brother, sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister;

(5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or anything of value, unless consideration of equal or greater value is received;

(6) "Income" means any money or thing of value received or to be received as a claim on future services, whether in the form of a fee, salary, expense allowance, forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other form of compensation or any combination thereof;

(7) "Officer" means all major management personnel in the executive branch of state government, including the secretary of the cabinet, the Governor's chief executive officers, cabinet secretaries, deputy cabinet secretaries, general counsels, commissioners, deputy commissioners, principal assistants, division directors, members and full-time chief administrative officers of the Parole Board, Board of Tax Appeals, Board of Claims, Public Service Commission, Worker's Compensation Board and its administrative law judges, the Occupational Safety and Health Review Commission, the State Board for Elementary and Secondary Education, the State Board for Adult and Technical Education, and any other management personnel with procurement authority;

(8) "Official duty" means any responsibility imposed on a public servant by virtue of his position in the state service;

(9) "Public servant" means:

(a) The Governor;

(b) The Lieutenant Governor;

(c) The Secretary of State;

(d) The Attorney General;

(e) The Treasurer;

(f) The Commissioner of Agriculture;

(g) The Superintendent of Public Instruction;

(h) The Auditor of Public Accounts;

(i) Each Railroad Commissioner; and

(j) All employees in the executive branch including officers as defined in subsection (7) of this section and merit employees;

(10) "State agency" means every state office, department, division, board, commission, institution, public corporation, and authority within the executive branch;

(11) "Lobbyist" means any person employed as a legislative agent or legislative counsel to promote, oppose, or act with reference to any legislation which affects, or may affect, private pecuniary interests, as distinct from those of the whole people; [~~and~~]

(12) "Lobbyist's principal" means the entity in whose behalf the lobbyist promotes, opposes, or acts with reference to legislative action***; and***

(13) "Candidate" has the same meaning as that given in Section 6 of this Act.

Section 39. KRS 11A.050 is amended to read as follows:

(1) Each officer***,*** [~~and~~] each public servant***, and each candidate to be an officer or public servant,*** listed in KRS 11A.010(9)(a) to (i) shall file a statement of financial disclosure with the commission, as follows:

(a) Each officer and each public servant listed in KRS 11A.010(9)(a) to (i) appointed to or employed in any position as of January 1 of any year shall file the statement for the preceding calendar year, complete through December 31, with the commission on or before April 15 of each year.

(b) Each officer and each public servant listed in KRS 11A.010(9)(a) to (i) of this Act appointed to or employed in any position after January 1 of any year shall file the statement reflecting the previous calendar year with the commission no later than thirty (30) days after the date of appointment or employment.

(2) The statement of financial disclosure shall be filed on a form prescribed by the commission. The commission shall provide copies of the form upon request without charge.

(3) The statement shall include the following information for the preceding calendar year:

(a) Name and entire residential and business address of filer;

(b) Title of position or office whereby filing is required;

(c) Any other occupations of filer and spouse;

(d) Positions held by the filer or his spouse in any business, partnership, or corporation for profit;

(e) Names and addresses of all businesses in which the filer, his spouse, or dependent children has or had an interest of ten thousand dollars ($10,000) at fair market value or five percent (5%) ownership interest or more;

(f) Sources of gross income of the filer or his spouse, as well as information concerning the nature of the business, and the form of the income;

(g) Sources of retainers received by the filer or his spouse;

(h) Any representation or intervention for compensation by the filer or his spouse for any person before policy-making entities in state government;

(i) All positions of a fiduciary nature in a business;

(j) Information regarding any real property in which there is an interest of ten thousand dollars ($10,000) or more held by the filer, his spouse, or dependent children;

(k) Sources of gifts of money or property with a retail value of more than two hundred dollars ($200) to the filer, his spouse, or dependent children, except those from spouse, parents, or grandparents; and

(l) Identity of creditors owed more than ten thousand dollars ($10,000), except debts arising from the purchase of consumer goods.

Paragraphs (a) to (l) of this subsection shall not require disclosure of specific dollar amounts or of privileged information.

Section 40. KRS 11A.080 is amended to read as follows:

(1) (a) Upon a complaint signed under penalty of perjury by any person, or upon its own motion, the commission shall investigate any alleged violation of this chapter.

(b) Not later than ten (10) days after the commission receives the complaint, the commission shall initiate a preliminary inquiry into any alleged violation of this chapter.

(c) Within ***sixty (60)*** [~~thirty (30)~~] days of the commencement of the inquiry, the commission shall forward a copy of the complaint and a general statement of the applicable law to the person alleged to have committed a violation.

(2) All commission proceedings and records relating to a preliminary investigation shall be confidential until a final determination is made by the commission, except:

(a) The commission may turn over to the Attorney General, the United States Attorney, or the Commonwealth's Attorney of the jurisdiction in which the offense allegedly occurred, evidence which may be used in criminal proceedings; and

(b) If the complainant or alleged violator publicly discloses the existence of a preliminary investigation, the commission may publicly confirm the existence of the inquiry and, in its discretion, make public any documents which were issued to either party.

(3) If the commission determines in the preliminary investigation that the complaint does not allege facts sufficient to constitute a violation of this chapter, the commission shall immediately terminate the inquiry and notify in writing the complainant and the person alleged to have committed a violation. The commission may confidentially inform the alleged violator of potential violations and provide information to ensure future compliance with the law. If the alleged violator publicly discloses the existence of such action by the commission, the commission may confirm the existence of the resolution and, in its discretion, make public any documents which were issued to the alleged violator.

(4) If the commission, during the course of the preliminary investigation, finds probable cause to believe that a violation of this chapter has occurred, the commission may, upon majority vote:

(a) Due to mitigating circumstances such as lack of significant economic advantage or gain by the alleged violator, lack of significant economic loss to the state, or lack of significant impact on public confidence in government, in writing, confidentially reprimand the alleged violator for potential violations of the law and provide a copy of the reprimand to the alleged violator's appointing authority, if any. If the alleged violator publicly discloses the existence of such an action, the commission may confirm the existence of the action and, in its discretion, make public any documents which were issued to the alleged violator; or

(b) Initiate an adjudicatory proceeding to determine whether there has been a violation.

Section 41. KRS 11.400 is amended to read as follows:

(1) In addition to the duties prescribed for the office by the Constitution of the Commonwealth of Kentucky and by the rules of the Senate, the duties of the Lieutenant Governor shall be as follows:

(a) To serve as vice chairman of the State Property and Buildings Commission as prescribed by KRS 56.450;

(b) To serve as vice chairman of the Kentucky Turnpike Authority as prescribed in KRS 175.430;

(c) To serve as a member of the Kentucky Council on Agriculture in accordance with KRS 247.417;

(d) To serve as vice chairman of the County Debt Commission as provided in KRS 66.300;

(e) [~~To appoint three (3) members of the Board of Ethics of the Kentucky General Assembly in accordance with KRS 6.810;~~

~~(f)~~] To appoint one (1) member of the Public Officials' Compensation Commission as provided in KRS 64.742;

(f)[~~(g)~~] To serve as a member of the Board of the Kentucky Housing Corporation in accordance with KRS 198A.030;

(g)[~~(h)~~] To serve as a member of the Appalachian Development Council as provided in KRS 154.33-020;

(h)[~~(i)~~] To serve as a member of Kentucky delegations on the following interstate compact commissions or boards:

1. The Southern Growth Policies Board as prescribed by KRS 147.585;
2. The Breaks Interstate Park Commission as provided in KRS 148.225;
3. The Falls of the Ohio Interstate Park Commission pursuant to KRS 148.242;
4. The Tennessee-Tombigbee Waterway Development Authority pursuant to KRS 182.305;
5. The Interstate Water Sanitation Control Commissions as prescribed by KRS 224.18-710; and
6. The Kentucky Mining Advisory Council for the Interstate Mining Compact as provided by KRS 350.310.

(2) Nothing in this section shall prohibit the Governor and Lieutenant Governor from agreeing upon additional duties within the executive branch of the state government to be performed by the Lieutenant Governor.

Section 42. KRS 16.652 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the member, and in further consideration of benefits received by the state from the member's employment, KRS 16.510 to 16.645***, except as provided in Section 30 of this Act,*** shall constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall***, except as provided in Section 30 of this Act,*** not be subject to reduction or impairment by alteration, amendment or repeal.

Section 43. KRS 21.350 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, membership in the retirement system established by KRS 21.350 to 21.510 shall consist of, and be confined to, Justices of the Supreme Court, Judges of the Court of Appeals created by Section 111 of the Constitution of Kentucky, Circuit Judges, and Judges of the District Court, who have elected to participate in accordance with KRS 21.360.

(2) Any person who was a member on December 31, 1975, by virtue of holding on that date the office of commissioner of the former Court of Appeals or director of the Administrative Office of the Courts shall continue in membership so long as he continues to render service in any capacity in or for the Court of Justice.

(3) The limitation of membership made by this section does not affect rights to benefits based on service rendered before the 1978 amendment to this section took effect.

(4) Membership in the retirement system may be terminated as provided in Section 30 of this Act.

Section 44. KRS 21.480 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the members, and in further consideration of benefits received by the state through the inducement of qualified and experienced judges and commissioners to continue in service, KRS 21.350 to 21.510, ***except as provided in Section 30 of this Act,*** shall constitute an inviolable contract of the Commonwealth, and the rights and benefits provided therein shall, ***except as provided in Section 30 of this Act,*** not be subject to reduction or impairment by alteration, amendment or repeal.

Section 45. KRS 45A.045 is amended to read as follows:

(1) The Finance and Administration Cabinet shall serve as the central procurement and contracting agency of the Commonwealth.

(a) The cabinet shall require all agencies to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. The cabinet shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, prior to the beginning of each fiscal year all agencies shall submit to the Finance and Administration Cabinet an estimate of all needs for supplies, materials, and equipment during that year which will have to be required through competitive bidding.

(b) The Finance and Administration Cabinet shall have power, with the approval of the secretary of the Finance and Administration Cabinet, to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.

(c) The Finance and Administration Cabinet shall attempt in every practicable way to insure that state agencies are acquiring their real needs at the lowest possible cost.

(2) The Finance and Administration Cabinet shall recommend regulations, rules, and procedures, and shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and, subject to the approval of the secretary of the Finance and Administration Cabinet, shall promulgate administrative regulations to govern purchasing by or for all these agencies. The cabinet shall publish a manual of procedures which shall be incorporated by reference as an administrative regulation pursuant to KRS Chapter 13A. This manual shall be distributed to agencies and shall be revised upon issuance of amendments to these procedures. No purchase or contract shall be binding on the state or any agency thereof unless approved by the Finance and Administration Cabinet or made under general regulations prescribed by the cabinet.

(3) The Finance and Administration Cabinet shall purchase or otherwise acquire, or, with the approval of the secretary, may delegate and control the purchase and acquisition of the combined requirements of all spending agencies of the state, including, but not limited to, interests in real property, contractual services, rentals of all types, supplies, materials, equipment, and services.

(4) The Finance and Administration Cabinet shall sell, trade, or otherwise dispose of all property (including any interest in real property) of the state which is not needed, or has become unsuitable for public use, or would be more suitable to the public's interest if used in another manner, as determined by the secretary of the Finance and Administration Cabinet. The determination of the secretary of the Finance and Administration Cabinet shall be set forth in an order, and shall be reached only after review of a written request by the agency desiring to dispose of the property. This request shall describe the property and state

the reasons why the agency believes the property should be disposed. All instruments required by law to be recorded which convey any interest in any such real property so disposed of shall be executed and signed by the secretary of the Finance and Administration Cabinet and approved by the Governor. Unless the secretary of the Finance and Administration Cabinet deems it in the best interest of the state to proceed otherwise, all such property (including any interests in real property) shall be sold either by invitation of sealed bids or by public auction. The selling price of any interest in real property shall not be less than the appraised value thereof as determined by the cabinet, or the Transportation Cabinet for such requirements of that cabinet.

(5) The Finance and Administration Cabinet shall exercise general supervision and control over all warehouses, storerooms, and stores and of all inventories of supplies, services, and construction belonging to the Commonwealth. The cabinet shall adopt regulations to require agencies to take and maintain inventories of plant property, buildings, structures, other fixed assets, and equipment. The cabinet shall conduct periodic physical audits of inventories.

(6) The Finance and Administration Cabinet shall establish and maintain programs for the development and use of purchasing specifications and for the inspection, testing, and acceptance of supplies, services, and construction.

(7) Nothing in this section shall deprive the Finance and Administration Cabinet from negotiating with vendors who maintain a general service administration price agreement with the United States of America or any agency thereof. No contract executed under this provision shall authorize a price higher than is contained in the contract between the general service administration and the vendor affected.

(8) Except as provided in KRS Chapters 175, 176, 177 and 180, and subject to the provisions of this code, the Finance and Administration Cabinet shall purchase or otherwise acquire all real property determined to be needed for state use, upon approval of the secretary of the Finance and Administration Cabinet as to the determination of need and as to the action of purchase or other acquisition. The amount paid for this real property shall not exceed the appraised value as determined by the cabinet or the Transportation Cabinet (for such requirements of that cabinet), or the value set by eminent domain procedure. Subject to the provisions of this code, real property or any interest therein may be purchased, leased, or otherwise acquired from any officer or employee of any agency of the state upon a finding by the Finance and Administration Cabinet, based upon a written application by the head of the agency requesting the purchase, and approved by the secretary of the Finance and Administration Cabinet and the Governor, that the employee has not either himself or through any other person influenced or attempted to influence either the agency requesting the acquisition of the property or the Finance and Administration Cabinet in connection with such acquisition. ***When*** [~~Whenever~~] such an acquisition is consummated, the request and finding shall be recorded and kept by the Secretary of State along with the other documents recorded pursuant to the provisions of KRS Chapter 56. ***This subsection shall not apply to members or members-elect of the General Assembly who shall be subject to Section 9(8) of this Act.***

(9) The Finance and Administration Cabinet shall maintain records of all purchases and sales made under its authority and shall make periodic summary reports of all transactions to the secretary of the Finance and Administration Cabinet, the Governor, and the General Assembly. The Finance and Administration Cabinet shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities. The Finance and Administration Cabinet shall also compile an annual report of state purchases by all spending agencies in the state's statewide accounting and reporting system. The report format shall include, but not be limited to, dollar amount, volume, type of purchase, and vendor.

(10) For capital construction projects, subject to the provisions of this code, the bidding may be on whichever of the following methods, in the judgment of the secretary of the Finance and Administration Cabinet, offers the lowest real cost to the taxpayer:

(a) A total design-bid basis;

(b) A package system commonly referred to as "turnkey";

(c) Phase bidding commonly referred to as "fast track"; or

(d) Construction management.

Bids shall be reviewed by the engineering staff to assure quality and value, and compliance with bid procedures. All specifications shall be written to promote competition.

(11) The Finance and Administration Cabinet shall have control and supervision over all purchases of energy consuming equipment, supplies and related equipment purchased or acquired by any agency of the

state as provided in this code, and shall designate by regulation the manner in which an energy consuming item will be purchased so as to promote energy conservation and acquisition of energy efficient products. Major energy components shall be amortized on a seven (7) to ten (10) years' recovery basis and shall take into consideration the projected cost of fuel. The Governor's Office for Coal and Energy Policy shall conduct a thorough economic feasibility analysis on any major energy using component of at least three million (3,000,000) BTU's per hour heat input and must issue a certificate of economic feasibility prior to the Finance and Administration Cabinet's purchasing or retrofitting any such component that utilizes any fuel other than coal. The economic feasibility analysis shall consist of life-cycle cost comparisons of a component that would utilize coal and one(s) that would utilize any fuel other than coal. For such analysis, the Finance and Administration Cabinet shall provide detailed estimates of equipment purchase price, installation cost, annual operation and maintenance costs, and usage patterns of energy-using components.

Section 46. KRS 61.535 is amended to read as follows:

(1) The membership of any person in the system shall cease:

(a) Upon withdrawal of his accumulated contributions at or any time after termination of employment, regardless of length of service;

(b) Upon disability retirement;

(c) Upon service retirement;

(d) Upon death; [~~and~~]

(e) Upon termination of employment with prejudice***; and***

(f) Upon conviction of an offense for which termination is specified in Section 30 of this Act.

(2) For purposes of KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852, termination of employment with prejudice shall mean termination as the result of conviction of the member in a court of competent jurisdiction of embezzlement or larceny of public funds or property or malfeasance in office, or the forcing of a member to make restitution for any funds or property criminally taken by said member at the time of termination of employment.

Section 47. KRS 61.550 is amended to read as follows:

(1) When membership ceases, except in the case of retirement, the member shall thereafter lose all right to any retirement allowance or benefits under KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852 arising from service prior to the date of such cessation of membership.

(2) When membership ceases due to conviction of an offense for which forfeiture of retirement benefits is required by Section 30 of this Act, the provisions of Section 30 of this Act shall apply.

Section 48. KRS 61.625 is amended to read as follows:

(1) If a member's employment has been terminated or if the member is employed by a participating employer in an employment status as defined in KRS 61.510(21)(a) to (d) or 78.510(21)(a) to (d), that does not require the member to participate in the system, the member if living, or if not living, his designated beneficiary, shall have the right to request a refund of his accumulated contributions, including the amount of any employee contributions picked up by the employer pursuant to KRS 61.560(4), reduced by the amount of any retirement allowances previously received. Payments made under this section shall be in lieu of any other benefits due for the period of service under any of the provisions of KRS 16.510 to 16.652, [~~and~~] 61.515 to 61.705, and 78.520 to 78.852, unless the period of service is regained as provided under KRS 61.552. Payments of picked up employee contributions shall be subject to state and federal tax as appropriate.

(2) Refund of contributions of members whose benefits have been terminated pursuant to Section 30 of this Act shall be governed by that section.

Section 49. KRS 61.692 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the members and in further consideration of benefits received by the state from the member's employment, KRS 61.510 to 61.705 shall***, except as provided in Section 30 of this Act,*** constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall***, except as provided in Section 30 of this Act,*** not be subject to reduction or impairment by alteration, amendment, or repeal.

Section 50. KRS 61.710 is amended to read as follows:

[~~(1)~~] KRS 61.710 to 61.780 ***shall*** apply to [~~members of the General Assembly,~~] Justices and Judges of the Court of Justice, Commonwealth's attorneys, and all candidates for all those offices. KRS 61.710 to 61.780 also ***shall*** apply to a person appointed to a vacancy in an unexpired term of any office mentioned above.

[~~(2) KRS 61.710 to 61.780 also apply to:~~

~~(a) Any employee of a daily newspaper of 50,000 or more circulation published in Kentucky who either orally, or in writing contributes to the editorial policy of the newspaper; and~~

~~(b) Any employee of a radio or television station that is owned in common with a newspaper described above who directly or indirectly contributes to the editorial policy of the station.~~]

Section 51. KRS 78.852 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the members and in further consideration of benefits received by the county from the member's employment, KRS 78.510 to 78.852 shall, ***except as provided in Section 30 of this Act,*** constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall, ***except as provided in Section 30 of this Act,*** not be subject to reduction or impairment by alteration, amendment, or repeal.

Section 52. KRS 121.120 is amended to read as follows:

(1) The registry may:

(a) Require by special or general orders, any person to submit, under oath, any written reports and answers to questions as the registry may prescribe;

(b) Administer oaths or affirmations;

(c) Require by subpoena, signed by the chairman, the attendance and testimony of witnesses and the production of all documentary evidence, excluding individual and business income tax records, relating to the execution of its duties;

(d) In any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the registry and has the power to administer oaths and, in those instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (c);

(e) Initiate, through civil actions for injunctive, declaratory, or other appropriate relief, defend, or appeal any civil action in the name of the registry to enforce the provisions of this chapter through its legal counsel;

(f) Render advisory opinions under KRS 121.135;

(g) Promulgate administrative regulations necessary to carry out the provisions of this chapter;

(h) Conduct investigations and hearings expeditiously, to encourage voluntary compliance, and report apparent campaign finance law violations to the appropriate law enforcement authorities; and

(i) Petition any court of competent jurisdiction to issue an order requiring compliance with an order or subpoena issued by the registry. Any failure to obey the order of the court may be punished by the court as contempt.

(2) No person shall be subject to civil liability to any person other than the registry or the Commonwealth for disclosing information at the request of the registry.

(3) The registry may appoint a full-time executive director, legal counsel and an accountant for auditing purposes, all of whom shall serve at the pleasure of the registry. The registry may also appoint such other employees as are necessary to carry out the purposes of this chapter. All requests for personnel appointments shall be forwarded by the registry directly to the commissioner of the Department of Personnel and shall be subject to his review and certification only.

(4) The registry shall adopt official forms and perform other duties necessary to implement the provisions of this chapter and KRS Chapter 121A. Without limiting the generality of the foregoing, the registry shall:

(a) Develop prescribed forms for the making of the required reports;

(b) Prepare and publish a manual for all candidates, slates of candidates, and committees, describing the requirements of the law, including uniform methods of bookkeeping and reporting, requirements as to reporting dates, and the length of time that candidates, slates of candidates, and committees are required to keep any records pursuant to the provisions of this chapter and KRS Chapter 121A;

(c) Develop a filing, coding, and cross-indexing system;

(d) Make each report filed available for public inspection and copying during regular office hours at the expense of any person requesting copies of them;

(e) Preserve all reports for at least six (6) years from the date of receipt. Duly certified reports shall be admissible as evidence in any court in the Commonwealth;

(f) Prepare and make available for public inspection a summary of all reports grouped according to candidates, slates of candidates, committees, contributing organizations, and parties, containing the total receipts and expenditures, ***and the date, name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee,*** and the date, name, address, occupation and employer of each ***other*** contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and amount contributed by each contributor, listed alphabetically, shown to have contributed in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~] to candidates and [~~in excess of one hundred dollars ($100) to~~] slates of candidates;

(g) Prepare and publish an annual report with cumulative compilations named in paragraph (f) of this subsection;

(h) Distribute upon request, for a nominal fee, copies of all summaries and reports;

(i) Determine whether the required reports have been filed and if so, whether they conform with the requirements of this chapter and KRS Chapter 121A; give notice to delinquents to correct or explain defections; issue an order, if appropriate, as provided in KRS 121.140; and make public the fact that a violation has occurred and the nature thereof;

(j) Conduct random audits of receipts and expenditures of candidates running for city, county, urban-county government, charter county government, and district offices. When the registry audits the records of any selected candidate, it shall also audit the records of all other candidates running for the same office in the selected city, county, urban-county government, charter county government, or district office;

(k) Conduct audits of receipts and expenditures of all candidates or slates of candidates running for statewide office;

(l) Require that candidates and slates of candidates shall maintain their records for a period of four (4) years from the date of the regular election in their respective political races;

(m) Initiate investigations and make investigations with respect to reports upon complaint by any person and initiate proceedings on its own motion;

(n) Forward to the Attorney General any violations of this chapter and KRS Chapter 121A which may become the subject of civil or criminal prosecution; [~~and~~]

(o) Direct and administer the provisions of KRS Chapter 121A***;***

(p) Effective two hundred ten days from the effective date of this Act, compare a list of registered lobbyists provided by the Kentucky Legislative Ethics Commission with campaign finance reports submitted by members of and candidates for the General Assembly and provide the commission with supporting documentation of suspected violations of Section 17 of this Act for its investigation; and

(q) Effective two hundred ten days from the effective date of this Act, examine campaign finance reports submitted by members of and candidates for the General Assembly for contributions by members and staff of the Kentucky Legislative Ethics Commission and provide the commission with supporting documentation of suspected violations of Sections 19 and 22 of this Act for its investigation.

(5) All policy and enforcement decisions concerning the regulation of campaign finance shall be the ultimate responsibility of the registry. No appointed or elected state officeholder or any other person shall, directly or indirectly, attempt to secure or create privileges, exemptions, or advantages for himself or others in derogation of the public interest at large in a manner that seeks to leave any registry member or employee charged with the enforcement of the campaign finance laws no alternative but to comply with the wishes of the officeholder or person. Registry members and employees shall be free of obligation or the appearance of obligation to any interest other than the fair and efficient enforcement of the campaign finance laws and administrative regulations. It shall not be considered a violation of this subsection for an officeholder or other person to seek remedies in a court of law to any policy or enforcement decision he considers to be an abridgement of his legal rights.

Section 53. KRS 121.150 is amended to read as follows:

(1) No contribution of money or other thing of value, nor obligation therefor, shall be made or received, and no expenditure of money or other thing of value shall be made or incurred, directly or indirectly, other than an "independent expenditure," to support inauguration activities or to support or defeat a candidate, slate of candidates, constitutional amendment, or public question which will appear on the ballot in an election, except through the duly appointed campaign manager, or campaign treasurer of the candidate, slate of candidates, or registered committee. As used in this section, "independent expenditure" means one made for a communication which expressly advocates the election or defeat of a clearly identified candidate or slate of candidates, or the passage or defeat of a constitutional amendment or public question which will appear on the ballot and which is not made with any direct or indirect cooperation, consent, request, suggestion, or consultation involving a candidate, slate of candidates, campaign committee, political issues committee, or agent. Any person making an "independent expenditure," as defined in this subsection, shall report these expenditures when the expenditures exceed five hundred dollars ($500) in the aggregate in any one (1) election, on forms provided by the registry.

(2) Except as provided in KRS 121.180(10), the solicitation from and contributions by candidates, slates of candidates, campaign committees, political issues committees, permanent committees, and party executive committees to any religious, charitable, civic, eleemosynary, or other causes or organizations established primarily for the public good is expressly prohibited; except that it shall not be construed as a violation of this section for a candidate or slate of candidates to continue regular personal contributions to religious, civic, or charitable groups.

(3) No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf, shall accept any anonymous contribution in excess of fifty dollars ($50), and all anonymous contributions in excess of fifty dollars ($50) shall be returned to the donor, if the donor can be determined. If no donor is found, the contribution shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020. No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf shall accept anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate in any one (1) election. Anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate which are received in any one (1) election shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020.

(4) No candidate, committee, or contributing organization, nor anyone on their behalf, shall accept a cash contribution in excess of ***fifty*** [~~one hundred~~] dollars ***($50)*** [~~($100)~~].

(5) No candidate, slate of candidates, committee, contributing organization, nor anyone on their behalf, shall accept any contribution in excess of one hundred dollars ($100) from any person who shall not become eighteen (18) years of age on or before the day of the next general election.

(6) No candidate, campaign committee, political issues committee, nor anyone acting on their behalf, shall accept a contribution of more than five hundred dollars ($500) from any person, permanent committee, or contributing organization in any one (1) election; except that no candidate for school board, his campaign committee, nor anyone acting on their behalf shall accept a contribution of more than one hundred dollars ($100) from any person or more than two hundred dollars ($200) from any permanent committee or contributing organization in any one (1) election. No person, permanent committee, or contributing organization shall contribute more than five hundred dollars ($500) to any one (1) candidate, campaign committee, political issues committee, nor anyone acting on their behalf, in any one (1) election; except that no person shall contribute more than one hundred dollars ($100) and no permanent committee or contributing organization shall contribute more than two hundred dollars ($200) to any one (1) school board candidate, his campaign committee, nor anyone acting on their behalf, in any one (1) election. Limits on contributions for slates of candidates for Governor and Lieutenant Governor which may be made or received in any one (1) election shall be governed by the provisions of KRS 121A.050.

(7) [~~Except for permanent committees organized as of January 1, 1988,~~] Permanent committees or contributing organizations affiliated by bylaw structure or by registration, as determined by the Registry of Election Finance, shall be considered as one (1) committee for purposes of applying the contribution limits of subsection (6) of this section.

(8) No permanent committee shall contribute funds to another permanent committee for the purpose of circumventing contribution limits of subsection (6) of this section.

(9) No person shall contribute funds to a permanent committee, political issues committee, or contributing organization for the purpose of circumventing the contribution limits of subsection (6) of this section.

(10) No person shall contribute more than ***one thousand five hundred*** [~~four thousand~~] dollars ***($1,500)*** [~~($4,000)~~] to all permanent committees and contributing organizations in any one (1) year ***nor more than one thousand dollars ($1,000) to a single permanent committee or contributing organization in any one (1) year.***

(11) No person shall contribute more than two thousand five hundred dollars ($2,500) to the state executive committee of a political party and its subdivisions and affiliates in any one (1) year. Contributions a person makes to a political party in excess of one thousand dollars ($1,000) in any one (1) year shall be deposited in a separate account which the state executive committee maintains for the exclusive purpose of paying administrative costs incurred by the political party.

(12) No person shall make a payment, distribution, loan, advance, deposit, or gift of money to another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf. No candidate, committee, contributing organization, nor anyone on their behalf shall accept a contribution made by one (1) person who has received a payment, distribution, loan, advance, deposit or gift of money from another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf.

(13) No candidates running as a slate for the offices of Governor and Lieutenant Governor shall make combined total personal loans to their committee in excess of fifty thousand dollars ($50,000) in any one (1) election. No candidate for any other statewide elected state office shall lend to his committee any amount in excess of twenty-five thousand dollars ($25,000) in any one (1) election. In campaigning for all other offices, no candidate shall lend to his committee more than ten thousand dollars ($10,000) in any one (1) election.

(14) No candidate or slate of candidates for nomination to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for primary election expenses after the date of the primary. No person other than the candidate or slate of candidates shall contribute for primary election expenses after the date of the primary.

(15) No slate of candidates for nomination for election to the offices of Governor and Lieutenant Governor, nor its campaign committees, nor anyone on their behalf, shall solicit or accept contributions for runoff primary election expenses after the date of the runoff primary. No person other than the slated candidates shall contribute for runoff primary election expenses after the date of the runoff primary.

(16) No candidate or slate of candidates for any state, county, city, or district office at a regular election, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for regular election expenses after the date of the regular election. No person other than the candidate or slate of candidates shall contribute for regular election expenses after the date of the regular election.

(17) No candidate or slate of candidates for nomination or election to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for special election expenses after the date of the special election. No person other than the candidate or slate of candidates shall contribute for special election expenses after the date of the special election.

(18) Nothing in subsections (14) to (17) of this section shall be deemed to prohibit a slate of candidates from receiving transfers from the election campaign fund established by KRS 121A.020 for which it is eligible for matches of qualifying contributions received prior to the date of the election but for which no transfer from the fund had been made prior to the date of the election.

(19) The provisions of subsections (14) and (16) of this section shall apply only to those candidates in a primary or regular election which shall be conducted subsequent to January 1, 1989. The provisions of subsections (15) and (17) of this section shall apply only to those candidates or slates of candidates in a runoff primary or special election which shall be conducted subsequent to January 1, 1993.

(20) No slate of candidates for Governor and Lieutenant Governor or their immediate families shall loan any money, service, or other thing of value to their campaign, and all moneys, services, or other things of value which are loaned shall be deemed a contribution, which may not be recovered by the slate of candidates, except to the extent of a combined total of fifty thousand dollars ($50,000).

(21) No candidate, slate of candidates, committee, except a political issues committee, or contributing organization, nor anyone on their behalf, shall knowingly accept a contribution from a corporation, directly or indirectly.

(22) Nothing in this section shall be construed to restrict the ability of a corporation to administer its permanent committee insofar as its actions can be deemed not to influence an election as prohibited by KRS 121.025.

(23) In addition to the prohibitions set forth in this section, no slate of candidates shall accept any contribution during the thirty (30) days immediately preceding a primary or regular election except as provided in KRS 121A.030(5).

(24) No candidate, slate of candidates, or committee, nor anyone on their behalf, shall solicit a contribution of money or services from a state employee, whether or not the employee is covered by the classified service provisions of KRS Chapter 18A. However, it shall not be a violation of this subsection for a state employee to receive a solicitation directed to him as a registered voter in an identified precinct as part of an overall plan to contact voters not identified as state employees.

(25) A candidate for elective public office, except slates of candidates for Governor and Lieutenant Governor, shall not accept contributions from permanent committees which, in the aggregate, exceed thirty-five percent (35%) of the total contributions accepted by the candidate in any one (1) election cycle or five thousand dollars ($5,000) in any one (1) election cycle, whichever is the greater amount. For the purposes of this subsection, "election cycle" means the period between regular elections for the office a candidate seeks. The percentage of the total contributions or dollar amounts of contributions accepted by a candidate in an election cycle that is accepted from permanent committees shall be calculated as of the regular election day that ends the election cycle. Funds in a candidate's campaign account which are carried forward from one (1) election cycle to another shall not be considered in calculating the acceptable percentage or dollar amount of contributions which may be accepted from permanent committees for the election cycle for which the funds are carried forward. A candidate may, without penalty, contribute funds to his campaign account not later than seven (7) days following the election cycle so as not to exceed the permitted percentage or dollar amount of contributions which may be accepted from permanent committees or the candidate may, not later than seven (7) days after the end of the election cycle, refund any excess permanent committee contributions on a pro rata basis to the permanent committees whose contributions are accepted after the aggregate limit has been reached.

Section 54. KRS 121.160 is amended to read as follows:

(1) Each candidate or slate of candidates shall designate a campaign treasurer to act as their agent at the time and at the office with which they file as a candidate or slate of candidates on a duplicate form prescribed and furnished by the registry and until this requirement is met the candidate or slate of candidates shall be listed as their own treasurer and accountable as such. The candidate or slate of candidates may appoint themselves or any registered voter in Kentucky as his campaign treasurer. The office with which the candidate or slate of candidates is required to file shall immediately forward to the registry the duplicate copy of the completed form designating the candidate's or slate's campaign treasurer and shall attach the original to the candidate's or slate's filing papers. The office with which the candidate or slate of candidates files shall promptly notify the registry when a candidate withdraws.

(2) The duties of a campaign treasurer shall be to:

(a) Designate a depository bank for all campaign funds and deposit all contributions in that depository;

(b) Keep detailed and exact accounts of contributions in general and ***by name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** by name, address, age if under legal voting age, the employer of each ***other*** contributor and the spouse of the contributor, or if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation where the contribution exceeds ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~]; the occupation listed for the contributor shall be specific. A general classification, such as "businessman", shall be insufficient;

(c) Make or authorize all expenditures on behalf of a candidate or slate of candidates. Any expenditure in excess of twenty-five dollars ($25) shall be by check and the treasurer's records shall disclose the name, address, and occupation of every person or firm to whom made, and shall list the date and amount of the expenditure and the treasurer shall keep a receipted bill for each;

(d) Maintain all receipted bills and accounts required by this section for a period of six (6) years from the date he files his last report under KRS 121.180(3)(a); and

(e) Make no payment to any person not directly providing goods or services with the intent to conceal payment to another.

(3) A candidate or slate of candidates may remove a campaign treasurer at any time.

(4) In case of the death, resignation, or removal of a campaign treasurer, the candidate or slate of candidates shall within three (3) days after receiving notice thereof by certified mail, return receipt requested, appoint a successor and shall file his name and address with the registry. The candidate, or slate shall be accountable as their own campaign treasurer if they fail to meet this filing requirement.

(5) A person may serve as campaign treasurer for more than one (1) candidate or slate of candidates, but all reports shall be made separately for each individual candidate or slate.

(6) The candidate or slate of candidates may pay a campaign treasurer a salary for his services which shall be considered a campaign expense and shall comply with the reporting provisions of KRS 121.180 and administrative regulations promulgated by the registry.

Section 55. KRS 121.180 is amended to read as follows:

(1) (a) Any candidate, slate of candidates, or campaign treasurer, or political issues committee shall be exempt from filing any pre-election finance reports required by subsection (3) of this section or KRS 121A.020(5), whichever is applicable, if the candidate, slate of candidates, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that contributions will not be accepted or expended in excess of three thousand dollars ($3,000) in any one (1) election to further the candidacy or to support or oppose a constitutional amendment or public question which will appear on the ballot. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(b) Any candidate, slate of candidates, campaign treasurer, or political issues committee shall be exempt from filing any campaign finance reports required by ***subsections*** [~~subsection~~] (3) ***and (4)*** of this section or KRS 121A.020(5), whichever is applicable, if the candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that currently no contributions have been received and that contributions will not be accepted or expended in excess of two hundred fifty dollars ($250) in any one (1) election. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(c) For a primary election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than the deadline for filing nomination papers and shall be bound by its terms unless it is rescinded in writing not later than fifteen (15) days after the filing deadline. For a runoff primary election, a slate of candidates shall file its request for exemption not later than five (5) days after the date of the preceding primary election and it shall be bound by its terms unless it rescinds it in writing not later than ten (10) days after the date of the preceding primary election. For a regular election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than ten (10) days after the date of the preceding primary election, or runoff primary, if one is held, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date of the primary election, or runoff primary, if one is held. For a special election, a candidate, slate of candidates, or campaign treasurer shall file a request for exemption not later than ten (10) days after being nominated for a special election, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date on which the nomination for a special election is made.

(d) Any candidate, slate of candidates, campaign treasurer, or political issues committee that is exempt from filing campaign finance reports pursuant to paragraph (a) or (b) of this subsection that accepts contributions or expends, or whose campaign treasurer accepts contributions or expends, in excess of the applicable limit in any one (1) election without rescinding the request for exemption in a timely manner shall comply with all applicable reporting requirements and, in addition to other penalties prescribed by law, in the case of a candidate or slate of candidates, upon a final determination that a violation occurred, be ineligible as a candidate or slate of candidates for the office sought, the nomination or election shall be void, and a vacancy shall be declared.

(2) State and county executive committees shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source since the date of the last report, including ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name and address of each ***other*** contributor, and the age if less than the legal voting age, the employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~], the amount contributed by each and the date of the contribution, whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name and address of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. This report shall be made to the registry within thirty (30) days after the primary, runoff primary if slates of candidates of that party participate, and regular elections. If an individual gives a reportable contribution to a state or county executive committee with the intention that the contribution or a portion of the contribution go to a candidate or slate of candidates, the name of the contributor and the sum shall be indicated on the committee report. The receipts and expenditures of funds remitted to each political party under KRS 141.071 to 141.073 shall be separately accounted for and reported to the registry in the manner required by KRS 121.230. The separate report may be made a separate section within the report required, by this subsection, to be submitted within thirty (30) days after each regular election.

(3) Except for candidates or slates of candidates, campaign treasurers, or political issues committees exempted from reporting requirements pursuant to subsection (1) of this section, each campaign treasurer of a candidate, slate of candidates, campaign committee, or political issues committee who accepts contributions or expends, expects to accept contributions or expend, or contracts to expend more than three thousand dollars ($3,000) in any one (1) election, and each fundraiser who secures contributions in excess of three thousand dollars ($3,000) in any one (1) election, shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source, since the date of the last report, including ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name and address of each ***other*** contributor, and the age if less than the legal voting age, the employer of each ***other*** contributor and the spouse of the contributor or, if the contributor or spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~], to a candidate***, slate of candidates,*** or political issues committee [~~or in excess of one hundred dollars ($100) to a slate of candidates~~] the amount contributed by each and the date of the contribution, whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name, address, and occupation of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. Reports of all candidates, campaign committees, political issues committees, and registered fundraisers shall be made as follows:

(a) Candidates as defined in KRS 121.015(8), campaign committees, political issues committees, and fundraisers which register in the year before the year an election in which the candidate or public question shall appear on the ballot, shall file financial reports with the registry at the end of the first calendar quarter after the person becomes a candidate or following registration of the committee or fundraiser, and each calendar quarter thereafter, ending with the last calendar quarter of that year. Candidates, committees, and registered fundraisers shall make all reports required by this section during the year in which the election takes place;

(b) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the thirty-second day preceding an election, including all previous contributions and expenditures;

(c) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the twelfth day preceding the date of the election; and

(d) All reports to the registry shall be in the hands of the registry or postmarked within five (5) days after each filing deadline.

(4) All candidates, regardless of funds received or expended, campaign committees, political issues committees, and registered fundraisers shall make post-election reports within thirty (30) days after the election.

(5) In making the preceding reports, the total gross receipts from each of the following categories shall be listed: proceeds from the sale of tickets for events such as testimonial affairs, dinners, luncheons, rallies, and similar fundraising events, mass collections made at the events, and sales of items such as campaign pins, buttons, hats, ties, literature, and similar materials. When any individual purchase or the aggregate purchases of any item enumerated above exceeds one hundred dollars ($100), the purchaser shall be identified by name, address, age, if less than the legal voting age, occupation, and employer and the employer of the spouse of the purchaser or, if the purchaser or the spouse of the purchaser is self-employed, the name under which he is doing business, and the amount purchased shall be reported to the registry. The lists shall be maintained by the campaign treasurer, political issues committee treasurer, registered fundraiser, or other sponsor for inspection by the registry for six (6) years following the date of the election.

(6) (a) Each permanent committee, inaugural committee, or contributing organization shall make a full report, upon a prescribed form, to the registry of all money, loans, or other things of value, received by it from any source, since the date of the last report, including ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name and address of each ***other*** contributor, and the age if under the legal voting age, employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~] and if in cash it shall be so stated. An aggregate amount of cash contributions shall also be reported, the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred or made, including "independent expenditures" as defined in KRS 121.150(1). This report shall be made by a permanent committee, inaugural committee, or contributing organization to the registry on the last day of the first calendar quarter following the registration of the committee with the registry and on the last day of each succeeding calendar quarter until such time as the committee terminates. A contributing organization shall file a report of contributions received and expenditures made on forms prescribed by the registry not later than the last day of each calendar quarter in which contributions are received or expenditures are made. All reports to the registry shall be postmarked or received not later than five (5) days after each filing deadline; and

(b) A permanent committee shall pay an administrative fee to the registry in an amount equal to five percent (5%) of the expenditures, including independent expenditures, the permanent committee makes in support of or opposition to all candidates or slates of candidates for office. The payment for the administrative fee shall accompany each report a permanent committee makes to the registry which documents expenditures in support of or defeat of any candidate or slate of candidates during the reporting period covered by the report. The amount of administrative fees received by the registry from permanent committees for each reporting period shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.

(7) If the final statement of a candidate, campaign committee, or political issues committee shows an unexpended balance of contributions, continuing debts and obligations, or an expenditure deficit, the campaign treasurer shall file with the registry a supplemental statement of contributions and expenditures not more than thirty (30) days after the deadline for filing the final statement. Subsequent supplemental statements shall be filed semiannually, to be in the hands of the registry or postmarked within ten (10) days after April 15 and October 15, until the account shows no unexpended balance, continuing debts and obligations, expenditures, or deficit. All contributions shall be subject to KRS 121.150.

(8) All reports filed under the provisions of this chapter shall be a matter of public record open to inspection by any member of the public immediately upon receipt of the report by the registry. A duplicate copy of each report filed with the registry shall be filed by the candidate, slate of candidates, or committee with the county clerk in the county in which the candidate or persons running as a slate of candidates reside at the same time. County clerks shall maintain these reports for public inspection for a period of one (1) year from the date the last report is required to be filed.

(9) A candidate or slate of candidates is relieved of the duty personally to file reports and keep records of receipts and expenditures if the candidate or slate states in writing or on forms provided by the registry that:

(a) Within five (5) business days after personally receiving any contributions, the candidate or slate of candidates shall surrender possession of the contributions to the treasurer of their principal campaign committee without expending any of the proceeds thereof. No contributions shall be commingled with the candidate's or slated candidates' personal funds or accounts. Contributions received by check, money order, or other written instrument shall be endorsed directly to the campaign committee and shall not be cashed or redeemed by the candidate;

(b) The candidate or slate of candidates shall not make any unreimbursed expenditure for the campaign, except that this paragraph does not preclude a candidate or slate from making an expenditure from personal funds to the designated principal campaign committee, which shall be reported by the committee as a contribution received; and

(c) The waiver shall continue in effect as long as the candidate or slate of candidates complies with the conditions under which it was granted.

(10) No candidate, slate of candidates, campaign committee, political issues committee, or contributing organization shall use or permit the use of contributions or funds solicited or received for the person or in support of or opposition to a public issue which will appear on the ballot to further the candidacy of the person for a different public office, to support or oppose a different public issue, or to further the candidacy of any other person for public office; except that nothing in this subsection shall be deemed to prohibit a candidate or slate of candidates from using funds in the campaign account to purchase admission tickets for any fundraising event or testimonial affair for another candidate or slate of candidates if the amount of the purchase does not exceed one hundred dollars ($100) per event or affair. Any funds or contributions solicited or received by or on behalf of a candidate, slate of candidates, or any committee, which has been organized in whole or in part to further any candidacy for the same person or to support or oppose the same public issue, shall be deemed to have been solicited or received for the current candidacy or for the election on the public issue if the funds or contributions are solicited or received at any time prior to the regular election for which the candidate, slate of candidates, or public issue is on the ballot. Except as provided in KRS 121A.080(6), any unexpended balance of funds not otherwise obligated for the payment of expenses incurred to further a political issue or the candidacy of a person shall, in whole or in part, at the election of the candidate or committee, escheat to the State Treasury, be returned pro rata to all contributors, or, in the case of a partisan candidate, be transferred to the state or county executive committee of the political party of which the candidate is a member except that a candidate, committee, or an official may retain the funds to further the same public issue or to seek election to the same office or may donate the funds to any charitable, nonprofit, or educational institution recognized under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and any successor thereto.

(11) Any publisher of newspapers or magazines, owner or lessor of billboards, a radio or television station or network, or any other person, company, corporation, or business organization offering its communications or advertising services for hire to the public who receives funds for the purchase of advertising services or material shall file with the registry a copy of the material or communication purchased by any person to support or oppose any slate of candidates or committee, which shall be provided by the purchaser for filing with the registry, and a copy of the receipt for the funds paid, and shall identify for the registry the person purchasing the services or material, and the source of the funds used to make the purchase if different than the purchaser. The information shall be reported to the registry not more than thirty (30) days after receiving the initial advertising or communications purchase for an election and every thirty (30) days thereafter if purchases are made in the ensuing period; except that reports of purchases shall be made to the registry every fourteen (14) days during the fifty-six (56) days before the primary and regular elections for Governor and Lieutenant Governor. The provisions of this subsection shall apply only to purchases of advertising services or material to support or oppose a slate of candidates for election to the offices of Governor and Lieutenant Governor.

Section 56. KRS 121.220 is amended to read as follows:

(1) Each candidate, slate of candidates, and each committee shall, before receiving any contributions or expending any money, designate one (1) primary campaign depository for the purpose of depositing all contributions received and disbursing all expenditures made by the candidate, slate of candidates, or committee. The candidate, slate of candidates, or committee may also designate one (1) secondary depository in each county in which an election is held and in which the candidate, slate of candidates, or committee participates. Deputy campaign treasurers may make expenditures from secondary depositories but only from moneys which first have been deposited in the primary campaign depository. Only a financial institution authorized to transact business in Kentucky may be designated as a campaign depository. The candidate, slate of candidates, or committee shall file the name and address of each primary and secondary depository so designated at the same time the candidate, slate of candidates, or committee files the name of his or its campaign treasurer.

(2) All funds received by the campaign treasurer or any deputy campaign treasurer of any candidate or committee shall be deposited in a campaign depository in an account designated "Campaign Fund of (name of candidate or committee)." For each deposit, the campaign treasurer or deputy campaign treasurer shall retain a statement showing ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name, address, employer of each ***other*** contributor and the spouse of the contributor or, if the contributor or spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each contributor of more than ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~] and the amount contributed. Cash contributions shall be accompanied by the same receipt form. The campaign treasurer or deputy campaign treasurer for a slate of candidates or a slate's campaign committee shall comply with the requirements of KRS 121A.080(6).

SECTION 57. A NEW SECTION OF KRS 121.150 TO 121.220 IS CREATED TO READ AS FOLLOWS:

(1) No candidate, committee, or contributing organization shall permit funds in a campaign account to be expended for any purpose other than for allowable campaign expenditures. "Allowable campaign expenditures" means expenditures made directly and primarily in support of or opposition to a candidate, constitutional amendment, or public question which will appear on the ballot and includes, but is not limited to, expenditures for staff salaries, advertising, office space, necessary travel, campaign paraphernalia, communications with voters, printing, graphic arts, or advertising services, postage, office supplies, stationery, newsletters, and equipment which is used primarily for the administration of the campaign. "Allowable campaign expenditures" does not include expenditures of funds in a campaign account for any purpose made unlawful by other provisions of the Kentucky Revised Statutes or which would bestow a private pecuniary benefit upon a candidate, member of the candidate's family, committee, or contributing organization, or any of their employees, paid or unpaid, including: tickets to an event which is unrelated to a political campaign or candidacy; items of personal property for distribution to prospective voters except items bearing the name, likeness, or logo of a candidate or a campaign-related communication; expenditures to promote or oppose a candidacy for a leadership position in a governmental, professional, or political organization, or other entity, and equipment or appliances the primary use of which is for purposes outside of the campaign. The provisions of KRS 121.190 notwithstanding, a candidate shall not be required to include a disclaimer on campaign stationery purchased with funds from his campaign account.

(2) By December 31, 1993, the registry shall promulgate administrative regulations to implement and enforce the provisions of subsection (1).

(3) In lieu of the penalties provided in KRS 121.140 and 121.990 for a violation of this section, the registry may, after hearing:

(a) For a violation which was not committed knowingly, order the violator to repay the amount of campaign funds which were expended for other than allowable campaign expenditures, and if not repaid within thirty (30) days, may impose a fine of up to one hundred dollars ($100) for each day the amount is not repaid, up to a maximum fine of one thousand dollars ($1,000); and

(b) For a violation which was committed knowingly, in addition to referring the matter for criminal prosecution, order the violator to repay the amount of campaign funds which were expended for other than allowable campaign expenditures, and if not repaid within thirty (30) days, may impose a fine of up to one hundred dollars ($100) for each day the amount is not repaid, up to a maximum fine of one thousand dollars ($1,000).

Section 58. KRS 121A.070 is amended to read as follows:

(1) All transfers received from the fund by a qualifying slate of candidates and all contributions or personal resources of any slate of candidates to be used for campaign expenditures shall be deposited in the candidate campaign account.

(2) ***For each deposit of a contribution of any amount from a permanent committee to a slate of candidates for Governor and Lieutenant Governor made in the slate's campaign account, there shall be retained by the campaign treasurer a short statement, in the form prescribed by the registry, showing:***

(a) The amount of each permanent committee's contribution deposited;

(b) The date each permanent committee's contribution was received; and

(c) The name and business address of the permanent committee and a description of the major business, social, or political interest represented by the permanent committee.

(3) For each deposit ***of funds received, other than contributions by permanent committees,*** in excess of one hundred dollars ($100) made in the account of any slate of candidates for Governor and Lieutenant Governor, there shall be retained by the campaign treasurer a short statement, in the form prescribed by the registry, showing:

(a) The amount of each contribution or amount of personal resources deposited;

(b) The date each contribution was received or each amount of personal resources was made available; and

(c) The name, address, and, in the case of individuals, occupation and employer of each contributor and the spouse of the contributor, and, if a contribution is made from the personal resources of the slate of candidates, the banks and account numbers from which the funds were transferred. The occupation listed for each contributor shall be specific. A general classification, such as "businessman," shall be insufficient. If the contributor or the spouse of the contributor is self-employed, the name under which he is doing business shall be listed.

(4)[~~(3)~~] The slate of candidates shall designate in writing, to be filed with the registry, not more than three (3) individuals who shall be authorized, in addition to the slate, to withdraw funds from the candidate campaign account.

(5)[~~(4)~~] No individual authorized to make withdrawals from the candidate campaign account shall pay any amount out of the account for goods or services furnished, other than staff salaries, except upon the presentation of an invoice submitted by the person to whom the payment is to be made. The invoice shall describe disbursements to persons, the name, address, occupation, and employer of each person, and the date and the amount disbursed. These invoices shall be preserved by the slate of candidates and made available for reasonable inspection and auditing by employees of the registry.

Section 59. KRS 161.470 is amended to read as follows:

(1) The membership of the retirement system shall consist of all new members, all present teachers, and all persons participating under the retirement system as of June 30, 1986, except as provided in Acts 1938 (1st Ex. Sess.), Ch. 1, paragraph 29. The board of trustees of the Teachers' Retirement System shall be responsible for final determination of membership eligibility and may direct employers to take whatever action that may be necessary to correct any error relating to membership.

(2) Service credit shall be forfeited upon withdrawal. If a member again enters service it shall be as a new member, except that any teacher who withdraws by claiming his deposits may repay the system the amount withdrawn plus interest and reestablish his service credit as provided in subsection (3) of this section.

(3) Effective July 1, 1988, and thereafter, ave contributing member of the retirement system with contributing service equal to one (1) year may regain service credit by depositing in the teachers' savings fund the amount withdrawn with interest at the rate to be set by the board of trustees, and computed from the first of the month of withdrawal and including the month of redeposit.

(4) Effective July 1, 1974, any active contributing member with at least two (2) years of contributing service credit who declined membership as provided in Acts 1938 (1st Ex. Sess.), Ch. 1, paragraph 29, may secure service credit for prior service, and for any subsequent service prior to date of membership, by depositing in the teachers' savings fund contributions for each year of subsequent service prior to date of membership, with interest at the rate of eight percent (8%) compounded annually to the date of deposit.

(5) Membership in the retirement system shall be terminated:

(a) By retirement for service;

(b) By death;

(c) By withdrawal of the member's accumulated contributions; [~~or~~]

(d) When a member, having less than five (5) years of Kentucky service is absent from service for more than three (3) consecutive years***; or***

(e) By conviction of an offense for which forfeiture of retirement benefits is required by Section 30 of this Act, in which case refund of benefits is governed by the provisions of Section 30 of this Act.

Upon termination of member accounts under this subsection, funds in the account shall be transferred to the guarantee fund. Inactive members may apply for refunds of these funds at any time. The terminated service shall be reinstated, if not withdrawn by the member, in the event that the member returns to active contributing service.

(6) In case of withdrawal from service prior to eligibility for retirement, the board of trustees shall on request of the member return all of his accumulated contributions with regular interest, including any payments made by the member to the state accumulation fund, but the member shall have no claim on any contributions made by the state with a view to his retirement or to contributions made to the medical insurance fund. If the member is eligible for an immediate service retirement allowance as provided in KRS 161.600, no withdrawal and refund shall be permitted, unless the allowance would prohibit the member from qualifying for Social Security benefits or the member elects to withdraw part or all of his service for the purpose of obtaining credit in another retirement plan. Requests for refund of contributions by the member must be filed on forms prescribed by the Teachers' Retirement System and the employer shall be financially responsible for all information that is certified on the prescribed form.

(7) Except as provided in KRS 161.520 and 161.525, in case of death prior to retirement, the board of trustees shall pay to the estate of the deceased member or to his assigns all of his accumulated contributions, with regular interest, including any payments made by the member to the state accumulation fund, but the estate or assigns shall have no claim on any contributions made by the state with a view to the retirement of the member or to contributions made to the medical insurance fund.

(8) Any active contributing member of the Kentucky Employees Retirement System, the County Employees Retirement System, the State Police Retirement System, or the Judicial Retirement System may use service, under that retirement system for the purpose of meeting the service requirement of subsections (3) and (4) of this section.

Section 60. KRS 161.530 is amended to read as follows:

Except as provided in Section 30 of this Act, if a member, whose account has been forfeited under previous provisions of this section, shall return to teaching in a covered position in Kentucky, and reinstates the lost service credit as provided in KRS 161.470(3), the funds transferred from the member's account shall be restored to such account and shall be credited against the payment required for reinstatement of service credit.

Section 61. KRS 161.714 is amended to read as follows:

It is hereby declared that in consideration of the contributions by members and in further consideration of benefits received by the state from the member's employment, KRS 161.220 ***to*** [~~through~~] 161.710 shall constitute***, except as provided in Section 30 of this Act,*** an inviolable contract of the Commonwealth, and the benefits provided herein shall***, except as provided in Section 30 of this Act,*** not be subject to reduction or impairment by alteration, amendment, or repeal.

Section 62. KRS 247.5089 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development and education, the increased use and sale, domestic and foreign, of small grains and small grains products; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of small grains and small grains products to market. None of these funds shall be used for lobbying [~~as defined in KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Fund Utilization Committee, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Fund Utilization Committee.

Section 63. KRS 247.580 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used by the promotion board for the purpose of promoting and stimulating, by research, market development, and education, the increased use and sale, domestic and foreign, of soybeans and soybean products. These funds shall not be used for lobbying [~~as defined in KRS 6.250~~]. The promotion board may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized.

Section 64. KRS 247.6029 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development and education, the increased use and sale, domestic and foreign, of corn and corn products; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of corn and corn products to market. None of these funds shall be used for lobbying [~~as defined in KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Fund Utilization Committee, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Fund Utilization Committee.

Section 65. KRS 247.6947 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development, and education, the increased use and sale, domestic and foreign, of sheep and lambs; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of sheep and lambs to market. None of these funds shall be used for lobbying [~~as defined in KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Kentucky Sheep Council, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Kentucky Sheep Council.

Section 66. KRS 121.170 is amended to read as follows:

(1) Any committee organized under any provisions of this chapter shall register with the registry, by filing official notice of intention at the time of organization, giving names, addresses, and positions of the officers of the organization and designating the candidate or candidates, slate of candidates, or question it is organized to support or oppose on forms prescribed by the registry. The name of the committee shall reasonably identify to the public the sponsorship and purpose of the committee. The forms filed with the registry shall require the registrant to clearly identify the specific purpose, sponsorship, and source from which the committee originates; and the registry shall refuse to allow filing by any committee until this requirement has been satisfied.

(2) Any person who acts as a fundraiser by directly soliciting contributions for an election campaign of a candidate or slate of candidates for elected office shall register with the registry when he raises in excess of three thousand dollars ($3,000) in any one (1) election for the campaign committee by filing official notice giving his name, address, occupation, employer or, if he is self-employed, the name under which he is doing business, and all candidates or slates of candidates for whom he is soliciting on forms prescribed by the registry. A registered fundraiser shall comply with the campaign finance reporting requirements of KRS 121.180(3), (4), and (5) and KRS 121A.010(5).

(3) All provisions of KRS 121.160 and 121A.070 governing the duties and responsibilities of a candidate, slate of candidates, or campaign treasurer shall apply to a registered committee, except a federally registered out-of-state permanent committee, and a person acting as a campaign fundraiser.

(4) The chairman of a committee and the campaign treasurer shall be separate persons.

(5) A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry at the time it files its registration papers. A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry no later than the last day of the first calendar quarter following the year in which it registers with the registry and each succeeding year thereafter until the permanent committee terminates. The amount of administrative fees received by the registry from permanent committees shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.

(6) Any federally registered out-of-state permanent committee that contributes to a Kentucky candidate shall:

(a) File with the registry a copy of its federal registration (Federal Election Commission Form 1 - Committee Registration Form);

(b) File with the registry a copy of the Federal Election Commission finance report when a contribution is made to a Kentucky candidate; and

(c) Contribute not more than the maximum amount permitted for a permanent committee to make under Kentucky law to any candidate for any office in this Commonwealth.

(7) Notwithstanding any provision of law to the contrary, a contribution made by a federally registered permanent committee to any candidate for any office in this Commonwealth that complies with the provisions of 2 U.S.C. Sec. 441b, 11 C.F.R. Sec. 104.10, 11 C.F.R. Sec. 106.6, and 11 C.F.R. Sec. 114.1-114.12 regarding limitations on contributions by corporations shall be deemed to comply with the campaign finance laws of this Commonwealth prohibiting corporate contributions to candidates.

(8) The organization, formation, or registration of a permanent committee by or in support of any member of the General Assembly or any member of the leadership of either the House of Representatives or Senate shall be prohibited.

Section 67. KRS 521.010 is amended to read as follows:

The following definitions apply in this chapter, unless the context otherwise requires:

(1) "Public servant" means:

(a) Any public officer or employee of the state or of any political subdivision thereof or of any governmental instrumentality within the state; or

(b) Any person exercising the functions of any such public officer or employee; or

(c) Any person participating as advisor, consultant, or otherwise in performing a governmental function, but not including witnesses; or

(d) Any person elected, appointed, [~~or~~] designated, ***or who has officially filed as a candidate for election*** to become a public servant although not yet occupying that position.

(2) "Pecuniary benefit" means benefit in the form of money, property, commercial interests or anything else the primary significance of which is economic gain.

SECTION 68. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Nothing in this Act shall preclude a legislator or candidate from soliciting contributions which are deductible under federal or state income tax laws, on behalf of charitable entities provided the solicitations are broad-based and are not directed solely or primarily at registered lobbyists.

Section 69. KRS 141.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Secretary" means the secretary of revenue;

(2) "Cabinet" means the Revenue Cabinet;

(3) "Internal Revenue Code" means the Internal Revenue Code in effect on December 31, 1991, exclusive of any amendments made subsequent to that date, other than amendments that extend provisions in effect on December 31, 1991, that would otherwise terminate, and as modified by KRS 141.0101;

(4) "Dependent" means those persons defined as dependents in the Internal Revenue Code;

(5) "Fiduciary" means "fiduciary" as defined in Section 7701(a)(6) of the Internal Revenue Code;

(6) "Fiscal year" means "fiscal year" as defined in Section 7701(a)(24) of the Internal Revenue Code;

(7) "Individual" means a natural person;

(8) For taxable years beginning on or after January 1, 1974, "federal income tax" means the amount of federal income tax actually paid or accrued for the taxable year on taxable income as defined in Section 63 of the Internal Revenue Code, and taxed under the provisions of this chapter, minus any federal tax credits actually utilized by the taxpayer;

(9) "Gross income" in the case of taxpayers other than corporations means "gross income" as defined in Section 61 of the Internal Revenue Code;

(10) "Adjusted gross income" in the case of taxpayers other than corporations means gross income as defined in subsection (9) of this section minus the deductions allowed individuals by Section 62 of the Internal Revenue Code and as modified by KRS 141.0101 and adjusted as follows, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter, and except that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States and Kentucky;

(b) Exclude income from supplemental annuities provided by the Railroad Retirement Act of 1937 as amended and which are subject to federal income tax by Public Law 89-699;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude employee pension contributions picked up as provided for in KRS 6.505, 16.545, 21.360, 61.560, 65.155, 67A.320, 67A.510, 78.610, and 161.540 upon a ruling by the Internal Revenue Service or the federal courts that these contributions shall not be included as gross income until such time as the contributions are distributed or made available to the employee;

(e) Exclude Social Security and railroad retirement benefits subject to federal income tax;

(f) Include, for taxable years ending before January 1, 1991, all overpayments of federal income tax refunded or credited for taxable years;

(g) Deduct, for taxable years ending before January 1, 1991, federal income tax paid for taxable years ending before January 1, 1990; [~~and~~]

(h) Exclude any money received because of a settlement or judgment in a lawsuit brought against a manufacturer or distributor of "Agent Orange" for damages resulting from exposure to Agent Orange by a member or veteran of the armed forces of the United States or any dependent of such person who served in Vietnam; ***and***

(i) Deduct for tax years beginning on or after January 1, 1993, an amount not to exceed two hundred dollars ($200) for local and state-level political campaign contributions.

(11) "Net income" in the case of taxpayers other than corporations means adjusted gross income as defined in subsection (10) of this section, minus the standard deduction allowed by KRS 141.081, or, at the option of the taxpayer, minus the deduction allowed by KRS 141.0202 and minus all the deductions allowed individuals by Chapter 1 of the Internal Revenue Code as modified by KRS 141.0101 except those listed below, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter and that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Any deduction allowed by the Internal Revenue Code for state taxes measured by gross or net income, except that such taxes paid to foreign countries may be deducted;

(b) Any deduction allowed by the Internal Revenue Code for amounts allowable under KRS 140.090(1)(h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been claimed under KRS 140.090(1)(h);

(c) The deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof; and

(d) Any deduction for amounts paid to any club, organization, or establishment which has been determined by the courts or an agency established by the General Assembly and charged with enforcing the civil rights laws of the Commonwealth, not to afford full and equal membership and full and equal enjoyment of its goods, services, facilities, privileges, advantages or accommodations to any person because of race, color, religion, national origin, or sex, except nothing shall be construed to deny a deduction for amounts paid to any religious or denominational club, group, or establishment or any organization operated solely for charitable or educational purposes which restricts membership to persons of the same religion or denomination in order to promote the religious principles for which it is established and maintained;

(12) "Gross income," in the case of corporations, means "gross income" as defined in Section 61 of the Internal Revenue Code and as modified by KRS 141.0101 and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude all dividend income received after December 31, 1969;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude fifty percent (50%) of gross income derived from any disposal of coal covered by Section 631(c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(e) Include in the gross income of lessors income tax payments made by lessees to lessors, under the provisions of Section 110 of the Internal Revenue Code, and exclude such payments from the gross income of lessees;

(f) Include the amount calculated under KRS 141.205;

(g) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income; and

(h) Exclude income from "safe harbor leases" (Section 168(f)(8) of the Internal Revenue Code);

(13) "Net income," in the case of corporations, means "gross income" as defined in subsection (12) of this section minus the deduction allowed by KRS 141.0202 and minus all the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code and as modified by KRS 141.0101, except the following:

(a) Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or to any foreign country or political subdivision thereof;

(b) The deductions contained in Sections 243, 244, 245, and 247 of the Internal Revenue Code;

(c) The provisions of Section 281 of the Internal Revenue Code shall be ignored in computing net income;

(d) Any deduction directly or indirectly allocable to income which is either exempt from taxation or otherwise not taxed under the provisions of this chapter, and nothing in this chapter shall be construed to permit the same item to be deducted more than once;

(e) Exclude expenses related to "safe harbor leases" (Section 168(f)(8) of the Internal Revenue Code); and

(f) Any deduction for amounts paid to any club, organization, or establishment which has been determined by the courts or an agency established by the General Assembly and charged with enforcing the civil rights laws of the Commonwealth, not to afford full and equal membership and full and equal enjoyment of its goods, services, facilities, privileges, advantages, or accommodations to any person because of race, color, religion, national origin, or sex, except nothing shall be construed to deny a deduction for amounts paid to any religious or denominational club, group, or establishment or any organization operated solely for charitable or educational purposes which restricts membership to persons of the same religion or denomination in order to promote the religious principles for which it is established and maintained;

(14) (a) "Taxable net income," in the case of corporations having property or payroll only in this state, means "net income" as defined in subsection (13) of this section;

(b) "Taxable net income," in the case of corporations having property or payroll both within and without this state means "net income" as defined in subsection (13) of this section and as allocated and apportioned under KRS 141.120;

(c) "Property" means either real property or tangible personal property which is either owned or leased. "Payroll" means compensation paid to one (1) or more individuals, as described in KRS 141.120(8)(b). Property and payroll are deemed to be entirely within this state if all other states are prohibited by Public Law 86-272, as it existed on December 31, 1975, from enforcing income tax jurisdiction; and

(d) "Taxable net income" in the case of homeowners' associations as defined in Section 528(c) of the Internal Revenue Code, means "taxable income" as defined in Section 528(d) of the Internal Revenue Code. Notwithstanding the provisions of subsection (3) of this section, the Internal Revenue Code sections referred to in this paragraph shall be those code sections in effect for the applicable tax year;

(15) "Person" means "person" as defined in Section 7701(a)(1) of the Internal Revenue Code;

(16) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed, and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations prescribed by the secretary, "taxable year" means the period for which such return is made;

(17) "Resident" means an individual domiciled within this state or an individual who is not domiciled in this state, but maintains a place of abode in this state and spends in the aggregate more than one hundred eighty-three (183) days of the taxable year in this state;

(18) "Nonresident" means any individual not a resident of this state;

(19) "Employer" means "employer" as defined in Section 3401(d) of the Internal Revenue Code;

(20) "Employee" means "employee" as defined in Section 3401(c) of the Internal Revenue Code;

(21) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(22) "Wages" means "wages" as defined in Section 3401(a) of the Internal Revenue Code and includes other income subject to withholding as provided in Section 3401(f) and Section 3402(k), (o), (p), (q), and (s) of the Internal Revenue Code;

(23) "Payroll period" means "payroll period" as defined in Section 3401(b) of the Internal Revenue Code;

(24) "Corporations" means "corporations" as defined in Section 7701(a)(3) of the Internal Revenue Code;

(25) "S corporations" means "S corporations" as defined in Section 1361(a) of the Internal Revenue Code. Stockholders of a corporation qualifying as an "S corporation" under this chapter may elect to treat such qualification as an initial qualification under Subchapter S of the Internal Revenue Code Sections.

Section 70. The provisions of subsections (1), (2) and (12) of Section 9 of this Act shall not apply to transactions between a legislator and his spouse or child who serves as a lobbyist under the grandfather clause contained in subsection (8) of Section 17 of this Act.

Section 71. The balance a candidate has in his campaign account on the effective date of this Act shall not be subject to the limitations of subsection (25) of Section 53 of this Act.

Section 72. The Finance Cabinet shall provide or assist in the provision of suitable office space for the Kentucky Legislative Ethics Commission.

Section 73. To carry out the purposes of this Act, there is appropriated to the Kentucky Legislative Ethics Commission out of the 1992-94 biennial budget appropriations from the general fund to the legislative branch budget the sum of fifty thousand dollars ($50,000) for the 1992-1993 fiscal year and two hundred thousand dollars ($200,000) for the 1993-1994 fiscal year.

In addition to the above appropriations, the available balance upon the effective date of this Act of the 1992-94 biennial budget appropriations from the general fund to the Legislative Board of Ethics for fiscal year 1992-93 and fiscal year 1993-94 shall be transferred to the Kentucky Legislative Ethics Commission.

Also, any restricted funds collected by the Kentucky Legislative Ethics Commission during fiscal year 1992-93 and fiscal year 1993-94, pursuant to this Act, shall be available for expenditure in fiscal year 1993-94, not to exceed $116,000, by the Kentucky Legislative Ethics Commission and are hereby appropriated.

Any unexpended funds appropriated to the Kentucky Legislative Ethics Commission at the end of fiscal year 1992-93 shall not lapse but shall be carried forward into fiscal year 1993-94.

Section 74. The following KRS sections are repealed:

6.250 Definition of "lobbyist."

6.260 When lobbyist may be employed — Contingent fee forbidden — Activities permitted.

6.270 Registration of lobbyists.

6.280 Legislative docket — Information to be entered.

6.290 Written authority to be filed by lobbyist.

6.300 Expenses of employers and lobbyists — Statement.

6.310 Lobbying on floor of House or Senate.

6.320 Corrupt lobbying.

6.750 Definitions for KRS 6.755 to 6.825.

6.755 Principles of ethical behavior for legislators.

6.760 Conflict of interest — Disqualification from voting — Disclosure of interest.

6.765 Personal or private interest defined — Exceptions.

6.770 Guidelines to determine necessity of abstention from voting due to conflict of interest.

6.775 Prohibited uses of influence by legislator.

6.780 Acceptance of economic opportunity prohibited.

6.785 Lobbying for compensation by legislator prohibited.

6.790 Acceptance of additional compensation or gifts for performance of legislative duties prohibited.

6.795 Legislator's conduct in relation to state agencies defined.

6.800 Employment in conflict with membership in General Assembly prohibited — Exceptions — Alcoholism and breach of public trust prohibited.

6.805 Board of Ethics authorized to inquire into violations of KRS 6.760 to 6.800.

6.810 Board of Ethics established — Membership — Chairman — Compensation and expenses.

6.820 Functions, powers and duties of board.

6.825 Construction of provisions of KRS 6.750 to 6.825.

6.850 Definitions — Annual report.

6.990 Penalties — Forfeiture of corporate charter.

Section 75. The following transition schedule shall apply to this Act:

(1) On the effective date of this Act, the authority of any person or organization to take an action required by this Act for the appointment of members of the commission shall commence.

(2) On the effective date of this Act, all existing statutes affected by this Act shall continue in effect, unamended, until an amendment or repeal provision becomes effective at the time specified within subsection (13) of this Section or within Section 76 of this Act.

(3) On the effective date of this Act, the Board of Ethics of the Kentucky General Assembly shall remain as the body responsible for the provisions of KRS Chapter 6, until the members of the new commission provided for within this Act take office.

(4) On the effective date of this Act, and until the time specified within this Section for implementation of registration of lobbyists with the commission, the Attorney General shall remain responsible for these registrations.

(5) Within forty-five (45) days of the effective date of this Act, persons or organizations required to submit names of nominees for the commission shall submit them to the person to whom they are to be submitted as required within this Act.

(6) Within sixty (60) days of the effective date of this Act, the Legislative Research Commission, President of the Senate, and Speaker of the House of Representatives shall make the appointments of commission members required within this Act.

(7) Within seventy-five (75) days of the effective date of this Act, the members of the commission shall be officially sworn in and take office. On this date the terms of the members of the Board of Ethics of the Kentucky General Assembly shall terminate, regardless of the date of their appointment to that Board, and their terms shall be deemed to have been shortened to that date, regardless of the original length of appointment. Enforcement powers of the commission shall commence with respect to existing provisions of KRS Chapter 6. The provisions of Section 72 of this Act shall become effective.

(8) Within ninety (90) days of the effective date of this Act, the commission shall meet and choose its chairman and other officers as provided within this Act.

(9) Within one hundred fifty (150) days of the effective date of this Act, the commission shall employ an executive director and such other initial employees as it deems necessary.

(10) Within one hundred eighty (180) days of the effective date of this Act, the commission shall promulgate administrative regulations and shall file with those administrative regulations, by reference, forms and other materials necessary for implementation and administration of this Act.

(11) Two hundred ten (210) days after the effective date of this Act, all previous administrative regulations relating to subjects covered by this Act or issued by the Board of Ethics of the Kentucky General Assembly shall expire and the administrative regulations issued by the commission shall become effective, unless they have already been placed into effect by the commission. Enforcement of newly enacted or amended statutes shall commence.

(12) The commission need not present an ethics training program prior to the two hundred ten (210) days required for full implementation of programs of the commission but shall conduct initial ethics training not less than thirty (30) days prior to the 1994 Regular Session of the General Assembly. The commission shall not be required to present a current issues seminar in 1994.

(13) Except as provided in subsections (1) and (2) of Section 76 of this Act, Sections 1 to 69 and Section 74 of this Act shall become effective two hundred ten (210) days after the effective date of this Act.

Section 76. (1) On May 26, 1993, the following provisions shall become effective:

(a) Section 52;

(b) Section 53(7) and Section 53(25);

(c) Section 54, which shall apply to present-year candidates from that date and to future-year candidates beginning July 1, 1993;

(d) Section 55(2);

(e) Section 55(3), which shall apply to present-year candidates from that date and to future-year candidates beginning July 1, 1993; and

(f) Section 56, which shall apply to present-year candidates from that date and to future-year candidates beginning July 1, 1993.

(2) On July 1, 1993, Section 55(6) of this Act shall become effective.

Section 77. Whereas it is increasingly important that public confidence in the integrity of state government and its officials be maintained, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following **HR 26**:

HR 26, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Francine Nicole Smith, daughter of former 49th District Representative Frank Smith of Shepherdsville.

With heartfelt sorrow we pay homage and tribute to the special memory of Francine Nicole Smith.

WHEREAS, Francine Nicole Smith, Frannie to her loving family and friends, was prematurely taken from us in a tragic skiing accident and crossed that bourne from which no traveler returns on Sunday, February 7, 1993; and

WHEREAS, Frannie Smith was sweet sixteen at the time of her passing, and, "as close as they come to being perfect" according to her father; and

WHEREAS, Frannie, a junior at Presentation Academy in Louisville, was involved in tennis, drama, ice skating, and church and was excited about being nominated for the Governor's Scholars Program; and

WHEREAS, Frannie was a graduate of St. Aloysius Catholic School in Shepherdsville and a member of the St. Aloysius parish and the National Honor Society; and

WHEREAS, her family prefer to remember their daughter's vibrant smile, out-going personality, and endlessly cheery charm and know that she now occupies a special home above all others;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby express its utter sense of bereavement and loss upon the death of Francine Nicole Smith and commend Frank and Sharon Smith and their son Todd to the solace of the Almighty during these dark and painful hours.

Section 2. That when the House of Representatives of the Commonwealth of Kentucky does adjourn this day it does so in the hope that the family of Frannie Smith is given God's strength to overcome this tragic loss, and in loving memory and honor of Francine Nicole Smith.

Section 3. That the Clerk of the House of Representatives is hereby directed to transmit two copies of this Resolution to Frank and Sharon Smith, 425 Dennis Drive, Shepherdsville, Kentucky 40165.

HR 26 was adopted by voice vote.

Representative Stumbo moved that a call of the roll be taken to show co-sponsors of **HR 26**. Agreed.

On the roll call the vote was yeas 91—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 0.

Representative Arnold moved that the rules be suspended to act upon Resolutions. Agreed.

Representative Arnold moved the adoption of the following **HR 23**:

HR 23, A RESOLUTION honoring William Wesley Peavyhouse upon the occasion of his sixty-eighth birthday.

WHEREAS, it seems appropriate from time to time for this honorable body to reflect upon the contributions of special Kentucky natives who have enriched the lives of so many people; and

WHEREAS, William Wesley Peavyhouse was born on March 17, 1925, in Lexington, Fayette County, Kentucky; and

WHEREAS, William Wesley Peavyhouse received his masters degree in education from the University of Kentucky in 1949; and

WHEREAS, William Wesley Peavyhouse played trombone for the University of Kentucky marching band from 1945 to 1949; and

WHEREAS, William Wesley Peavyhouse was an educator and band director for eighteen years and was affiliated with Versailles High School, Clark County High School, Madison City High School, and Jessamine County High School; and

WHEREAS, William Wesley Peavyhouse taught such notable men as Senator John A. "Eck" Rose, Representative Harry Moberly, Jr. and Vic Hellard, Jr.; and

WHEREAS, William Wesley Peavyhouse served his country with distinction during World War II; and

WHEREAS, William Wesley Peavyhouse is the loving husband of Lee Brandenburg Peavyhouse; and

WHEREAS, William Wesley Peavyhouse will be celebrating his sixty-eighth birthday on March 17, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body hails and commends William Wesley Peavyhouse for the years of dedicated service he has contributed to the citizens of the Commonwealth of Kentucky.

Section 2. That this honorable body recognizes that William Wesley Peavyhouse has demonstrated strong character and is an element of invincible strength to all the lives he has touched.

Section 3. That this honorable body is pleased and honored to recognize William Wesley Peavyhouse upon the occasion of his sixty-eighth birthday and extends to him its happiest birthday greetings on Wednesday, March 17, 1993.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mrs. Lee Brandenburg Peavyhouse, 110 Keystone Drive, Richmond, Kentucky 40475-8516.

HR 23 was adopted by voice vote.

Representative Arnold moved the adoption of the following **HR 25**:

HR 25, A RESOLUTION adjourning in loving memory and honor of Michael Lee "Mickey" Worthington, brother of State Representative Pete Worthington.

With deepest respect, we pay homage and tribute to Michael Lee "Mickey" Worthington of Frankfort.

WHEREAS, Mickey Worthington was prematurely taken from us on Sunday, February 7, 1993, in a tragic automobile accident; and

WHEREAS, Mickey Worthington was born on September 7, 1946, in Maysville, Kentucky; and

WHEREAS, Mickey Worthington, a state agricultural inspector, was an employee of the Kentucky Department of Agriculture; and

WHEREAS, Mickey Worthington was the loving father of Lee Marvin Worthington and Amy Worthington and brother of Representative Pete Worthington; and

WHEREAS, the passing of Mickey Worthington has left a void that will be difficult to fill, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby express its profound grief over the passing of Michael Lee Worthington and extends to his family its most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day it does so in honor and loving memory of Michael Lee Worthington.

Section 3. That the Clerk of the House of Representatives is directed to transmit four copies of this Resolution to Representative Pete Worthington.

HR 25 was adopted by voice vote.

Representative Arnold moved that a call of the roll be taken to show co-sponsors of **HR 25**. Agreed.

On the roll call the vote was yeas 91—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 0.

Representative Richards moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Richards moved the adoption of the following **HR 27**:

HR 27, A RESOLUTION in loving memory and honor of Patricia Dawson Wade.

With deepest respect, we pay homage and tribute to Patricia Dawson Wade.

WHEREAS, Patricia Dawson Wade was born on August 10, 1928, a native of Logan County, Kentucky; and

WHEREAS, Patricia Dawson Wade was the loving daughter of Hugh Dawson, who preceded her in death and Margaret Hite Dawson; and

WHEREAS, Patricia Dawson Wade was the adored wife of James R. Wade and the loving mother of Hugh Wade, Margaret Durrett and Nanette Fuqua and grandmother to six grandchildren; and

WHEREAS, Patricia Dawson Wade was the loving sister of Representative June D. Lyne; and

WHEREAS, the passing of Patricia Dawson Wade has left a void that will be difficult to fill, and she is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body expresses its profound grief over the passing of Patricia Dawson Wade and extends to her family its most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day, it does so in honor and loving memory of Patricia Dawson Wade.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mr. James R. Wade, 75 Lyne Johnson Road, Olmstead, Kentucky 42265.

HR 27 was adopted by voice vote.

Representative Richards moved that a call of the roll be taken to show co-sponsors of **HR 27**. Agreed.

On the roll call the vote was yeas 93—Ackerson, Adams, Adkins, Allen, Altman, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 0.

Representative Burch moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Burch moved the adoption of the following **HR 31**:

HR 31, A RESOLUTION adjourning the House of Representatives in honor of Kentucky's Foster Parents.

WHEREAS, there are 3,000 children in foster care in Kentucky on any given day; and

WHEREAS, historically family foster homes have been used in the majority of cases to provide out-of-home care; and

WHEREAS, although there are 1,460 approved foster homes throughout the state, the number of available experienced homes has remained the same over the past decade; and

WHEREAS, current trends indicate a decreasing pool of potential foster homes and an increasing number and severity of problems presented by foster children; and

WHEREAS, today's foster parents must deal with children who are sexually active, abusing drugs and alcohol, attacking people or property, mentally ill, medically fragile, or HIV positive; and

WHEREAS, the reimbursement rate for foster parents in Kentucky is only sixty percent of the national estimated cost of raising a child; and

WHEREAS, foster parents across the Commonwealth are the backbone of the system of care for Kentucky's troubled children in out-of-home care;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body, both individually and collectively, do hereby commend the many foster parents across the Commonwealth for their selfless dedication to Kentucky's troubled children.

Section 2. That the House of Representatives does express its appreciation to Kentucky's foster parents, who have maintained the state's system of care by shouldering forty percent of the cost of providing for foster children.

Section 3. That the House of Representatives does hereby proclaim Kentucky's foster parents to be outstanding citizens and exemplary representatives of the Commonwealth.

Section 4. That in recognition of Foster Parent Recognition Week, the House of Representatives does adjourn this day, Wednesday, February 10, 1993, in honor of Kentucky's foster parents.

Section 5. That a copy of this resolution be transmitted to Ms. Shirley Hedges, President, Kentucky State Foster Care Association, 122 Pride Avenue, Madisonville, Kentucky 42431, as well as the Secretary of the Cabinet for Human Resources and the Commissioner of the Department for Social Services.

HR 31 was adopted by voice vote.

Representative Burch moved that a call of the roll be taken to show co-sponsors of **HR 31**. Agreed.

On the roll call the vote was yeas 84—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Mullinix, Napier, Nelson, Nesler, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Sanders, Shacklette, Sheehan, B. Smith, T. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 0.

Representative LeMaster moved that the rules be suspended to act upon a Resolution. Agreed.

Representative LeMaster moved the adoption of the following **HR 22**:

HR 22, A RESOLUTION honoring the Nicholas County High School Lady Jackets basketball team for winning the All "A" Classic championship.

WHEREAS, the Lady Jackets of Nicholas County were virtually unstoppable as they came away with a 56-38 victory in the finals of the girls' All "A" Classic; and

WHEREAS, Lady Jackets head coach Barbara Kenney has preached defense to her team all year and they practiced it to perfection at Eastern Kentucky University's McBrayer Arena; and

WHEREAS, tournament Most Valuable Player Kim Denkins scored fifteen points, grabbed ten rebounds and had a lot of help from her teammates as they won coach Kenney's 100th game against nineteen losses in the last four seasons; and

WHEREAS, the Lady Jackets are sporting a 25-2 win/loss record as they look forward to the Sweet Sixteen;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed institution does hereby congratulate Coach Barbara Kenney and her Nicholas County Lady Jackets for claiming the All "A" Classic girls' championship title.

Section 2. That the House of Representatives applauds the teamwork displayed by head coach Barbara Kenney, assistant coaches Mike Kenney and Penny Bretz, and players Kayo Ko Takamura, Renee Linville, Christie Hatton, Nikki Smoot, Tina Fryman, Kim Denkins, Elizabeth Schanding, Jennifer Willoughby, Alicia Sibert, Tawnya Livingood, Michella Hopkins, Tara George, and Melanie Jones.

Section 3. That the Clerk of the House of Representatives is directed to transmit sixteen copies of this Resolution to Coach Barbara Kenney, Nicholas County High School, 103 School Drive, Carlisle, Kentucky 40311.

HR 22 was adopted by voice vote.

Representative Farley moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Farley moved the adoption of the following Legislative Citation No. 3. Agreed.

The House of Representatives of the Commonwealth of Kentucky recognizes and commends Mrs. Darris Duncan's **Fifth Grade Class, Oakview Elementary School** for your dedication and loyalty to the Commonwealth of Kentucky which you have exhibited by using your exceptional talents to write a pledge to our state flag. Your efforts to stimulate pride among Kentuckians during the Commonwealth's bicentennial celebration are commendable.

This prestigious body joins Representative Don Farley in recognizing your exceptional contribution and encourages a continued move toward high goals.

Representative Damron moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Damron moved the adoption of the following **HR 24**:

HR 24, A RESOLUTION honoring the Garrard County Lady Lions basketball team and head coach Ken Hurt.

WHEREAS, the Lady Lions of Garrard County put up a valiant fight in the All "A" Classic before bowing out, 51-43, to eventual winner Nicholas County in the quarter-finals; and

WHEREAS, the chances of the Lady Lions upsetting the Lady Jackets of Nicholas County dimmed considerably two minutes into the game as Garrard center Lesley Barsotti, reinjured a knee and had to leave the game; and

WHEREAS, the Twelfth Region champion Lady Lions have a 20-2 win/loss record and a strong team that is now pointing toward the Sweet Sixteen;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed institution does hereby congratulate Coach Ken Hurt and his Lady Lions of Garrard County for their successes to date and wish them better fortune and luck during the rest of the season.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit four copies of this Resolution to Coach Ken Hurt, Garrard County High School, 304 West Maple Avenue, Lancaster, Kentucky 40444.

HR 24 was adopted by voice vote.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 2** has been examined and found correctly enrolled. Said Bill was read at length, compared and signed in open session by the Speaker, and ordered delivered to the Senate. (Time - 12:30 p.m.)

Announcements

The following meetings were announced:

Appropriations and Revenue, 1:30 p.m., Room 129, February 10, 1993.

Capitol Caucus, cancelled, February 13, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 12 Noon, Thursday, February 11, 1993.

On the roll call the vote was yeas 78—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Bryant, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, French, Gedling, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, Mason, McElroy, Moberly, Mullinix, Napier, Nelson, Nesler, Noland, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 6—Hancock, Hatcher, LeMaster, Lile, Maggard, T. Smith.

The motion to adjourn was adopted.

THURSDAY, FEBRUARY 11, 1993

NINTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend William Smith, First Church of the Nazarene, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative McElroy moved that the reading of the Journal of February 10, 1993 be dispensed with and the same approved. Agreed.

Report of Enrolled Bills

HB 2 delivered to the Senate, signed by the President. Delivered to the Governor on February 11, 1993 at 11:10 a.m.

Senate Message

HB 1 returned with the following message: The Senate has passed **HB 1** with Senate Amendments and respectfully requests concurrence of this Honorable Body.

Announcing passage of **HCR 7**. (Time: 12:05 p.m.)

Introduction of Resolutions

HR 32, by Representative Palumbo: A RESOLUTION honoring Ralph Gabbard of Lexington, Kentucky.

HR 33, by Representative Farrow: A RESOLUTION in honor of Joe Lusby.

Representative Stumbo moved that the House stand at ease for a meeting of the Committee on Committees in the Speaker's office. Agreed.

The Speaker called the House to order.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Resolution:

State Government: **SJR 17**

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended for a report of the Committee on Rules. Agreed.

Report of Committees

The Committee on Rules reported that **SB 7** has been posted for passage in the Orders of the Day for February 12, 1993.

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended to act upon Resolutions. Agreed.

Representative Farrow moved the adoption of the following **HR 33**:

HR 33, A RESOLUTION in honor of Joe Lusby.

WHEREAS, Joe Lusby was born and raised on his family's farm at Rogers Gap, Scott County, Kentucky; and

WHEREAS, in his younger days, Joe Lusby was an active member of the Future Farmers of America; and

WHEREAS, Joe Lusby was introduced to the process of buying and selling tobacco at a time when tobacco was hauled to market on horse-drawn wagons; and

WHEREAS, Joe Lusby's forty-three year career in buying and selling tobacco for the American Tobacco Company allowed him to travel throughout the southeastern United States; and

WHEREAS, tobacco is the number one cash crop in the Commonwealth of Kentucky and is one of the Commonwealth's largest employers; and

WHEREAS, Joe Lusby's knowledge and experience in the tobacco industry has been an asset to the Kentucky tobacco market;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body is indeed proud to recognize Joe Lusby for his many contributions to the tobacco industry.

Section 2. That this honorable body wishes Joe Lusby good fortune in all future endeavors.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Mr. Joe Lusby, 209 Cherokee, Georgetown, Kentucky 40324.

HR 33 was adopted by voice vote.

Representative Palumbo moved the adoption of the following **HR 32**:

HR 32, A RESOLUTION honoring Ralph Gabbard of Lexington, Kentucky.

WHEREAS, Ralph Gabbard has achieved resounding success as president and general manager of WKYT-TV in Lexington and WYMT-TV in Hazard; and

WHEREAS, Ralph Gabbard has been named chairman-elect of the CBS Affiliates Advisory Board; and

WHEREAS, beginning February, 1994, Ralph Gabbard an exemplary representative of the Commonwealth, will become the chief spokesman for 215 CBS television stations across the United States; and

WHEREAS, Ralph Gabbard is a twenty-six year veteran of broadcasting, he began his career in high school, moving to television in 1970; and

WHEREAS, when Ralph Gabbard took over the reins at WKYT-TV, in 1972, at the age of twenty-seven he became the youngest manager of a top one hundred market station in the United States; and

WHEREAS, Ralph Gabbard was recently elected to the Board of Directors of the National Association of Broadcasting, he is past president of the Kentucky Association of Broadcasters, and he has been named District Two Representative on the CBS Affiliates Board; and

WHEREAS, totally dedicated to the good of the Commonwealth, Ralph Gabbard has served on many local boards including the Chamber of Commerce, Big Brothers, Boy Scouts, United Way, and the Appalachian Regional Hospitals, he is president and past owner of Renfro Valley, a national country music center south of Berea; and

WHEREAS, Ralph Gabbard most of all is devoted to his loving wife Jackie and their four sons;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed body is proud to honor Ralph Gabbard, outstanding Kentuckian and exemplary representative of the Commonwealth.

Section 2. That the House of Representatives is extremely proud to honor Ralph Gabbard, his tireless efforts, continued diligence, and constant devotion to the Commonwealth of Kentucky.

Section 3. That the Clerk of the House is directed to send a copy of this Resolution to Ralph Gabbard, WKYT-TV, P.O. Box 55037, Lexington Kentucky 40555.

HR 32 was adopted by voice vote.

Representative Stumbo announced that the floor would remain open until at least the hour of 5:00 p.m. for the purpose of filing Floor Amendments.

Representative Stumbo moved that the rules be suspended to make plans for adjournment. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so by voice vote. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so until 10:00 a.m., Friday, February 12, 1993. Agreed.

Representative Stumbo moved that no further business be conducted this day except for the filing of Floor Amendments and receiving Senate Messages. Agreed.

Recess

Representative Stumbo moved that the House recess until 5:00 p.m. Agreed.

Floor Amendments

Floor Amendment No. 1 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/HCS on page 20, line 6, by inserting after "***thereof***" the following: "***, unless the legislator or spouse is currently engaged in a business transaction and the transaction is reported to the commission***".

Floor Amendment No. 2 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/HCS on page 103, after line 20, by inserting "***(26) A candidate for the General Assembly who has no opposition in the primary election, beginning with the primary election held in 1994, shall not accept contributions or expend funds through his campaign account during the period beginning on the day following the filing deadline for the primary election and ending on the day of the primary election.***".

Floor Amendment No. 3 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/HCS on page 148, after line 4, by inserting the following:

"Section 70. KRS 121A.060 is amended to read as follows:

(1) In order to become a qualifying slate of candidates for the purpose of receiving a transfer from the fund in a primary or regular election, or both, a slate of candidates shall request certification from the registry in a form and in the manner which the registry shall prescribe by administrative regulations promulgated in accordance with this chapter.

(2) The registry shall immediately review the request of a slate of candidates for certification to receive a transfer from the fund. The request for certification shall include:

(a) A statement of intent accepting maximum expenditure limitations;

(b) A copy of the slate's nomination papers;

(c) The financial reports filed by or on behalf of the slate of candidates as of the date of the request for certification which indicate that the slate of candidates has raised a threshold qualifying amount in individual qualifying contributions for a transfer from the fund at a two (2) for one (1) matching ratio. The threshold qualifying amount for a slate of candidates for Governor and Lieutenant Governor that elects to be eligible to receive a transfer from the fund in a primary election shall be six hundred thousand dollars ($600,000) in qualifying contributions. The minimum threshold qualifying amount for a slate of candidates for Governor and Lieutenant Governor in a regular election that elects to be eligible to receive a transfer from the fund shall be three hundred thousand dollars ($300,000) in qualifying contributions and the maximum threshold qualifying amount for a regular election shall be six hundred thousand dollars ($600,000) in qualifying contributions for any one (1) election. Not more than fifty percent (50%) of a threshold qualifying amount shall be received from residents of the same congressional district. No transfer from the fund shall be made for qualifying contributions which a slate of candidates may receive in any one (1) election which in the aggregate exceed the maximum threshold qualifying amount unless a qualifying slate of candidates has been released from expenditure limitations pursuant to KRS 121A.080(4) or (5). The threshold qualifying amounts shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment in a year in which a Governor and Lieutenant Governor are elected not later than the filing deadline for the primary election; and

(d) Any other information reasonably necessary that is required by the registry.

(3) The registry shall certify whether a slate of candidates is eligible to receive a primary election transfer no later than seven (7) calendar days after the slate submits the required documentation.

(4) The registry shall certify whether a slate of candidates is eligible to receive a regular election transfer not later than seven (7) calendar days after the slate submits the required documentation; except that if the slate is required to take part in a primary election, the results of the primary election shall have been certified by the registry.

(5) A separate determination and certification shall be made for a primary and a regular election.

(6) The certification issued by the registry shall indicate:

(a) Whether a slate of candidates is eligible to receive a transfer; and

(b) The amount of fund transfers the slate of candidates is eligible to receive based on the amount of qualifying contributions that the slate has received at the time that it requests a transfer eligibility certification.

(7) A slate of candidates may make multiple requests for fund transfer eligibility certification in the course of a primary or regular election at the times and in the manner which the registry shall prescribe by administrative regulation.

(8) If a slate of candidates that has filed a statement of intent to accept a transfer is not eligible to receive a transfer, the certification shall:

(a) State the reasons why the slate of candidates is not eligible to receive a transfer; and

(b) What action, if any, the slate of candidates may take to qualify for a transfer.

(9) A slate of candidates may file with the registry a written request to review the determination of the registry no later than seven (7) calendar days after the date of certification. The registry shall issue a ruling not later than ten (10) days after receiving a request to review its determination.

(10) A slate of candidates denied certification by the registry may appeal an adverse ruling within twenty (20) days by filing a notice of appeal in the Court of Appeals in accordance with the Rules of Civil Procedure and the appeal of a ruling by the registry shall be advanced on the docket to permit a timely decision.

(11) No threshold qualifying amount shall be required for a slate of candidates participating in a runoff primary. A qualifying slate of candidates shall be certified to receive a fund transfer for the runoff primary, if one shall be held, upon the registry's certification that the qualifying slate of candidates received the highest or next highest number of votes for its party's nomination for Governor and Lieutenant Governor at the primary election or that a qualifying slate of candidates was determined by lot to be eligible to participate in a runoff primary pursuant to KRS 118.245(6).

(12) ***If a qualifying slate of candidates is not participating in a primary or is unopposed in a primary, the registry shall make no transfer from the fund to that slate for the primary, and no transfer to that slate shall be made for the regular election earlier than the date the results of the primary election preceding the regular election of a year in which the Governor and Lieutenant Governor are elected are certified. If a qualifying slate of candidates is unopposed in a regular election, the registry shall make no transfer from the fund to that slate for the regular election*** [~~No qualifying slate of candidates seeking its party's nomination for Governor and Lieutenant Governor shall be eligible to receive transfers from the fund in a primary election unless at least one (1) additional slate of candidates seeking the same party's nomination for Governor and Lieutenant Governor in the primary election has received and deposited in its candidate campaign account funds in an amount not less than the threshold qualifying amount for the primary election as established in KRS 121A.060(2)(c). No qualifying slate of candidates seeking election to the offices of Governor and Lieutenant Governor in a regular election shall be eligible to receive transfers from the fund unless at least one (1) additional slate of candidates seeking election to the offices of Governor and Lieutenant Governor in the regular election has received and deposited in its candidate campaign account funds in an amount not less than the minimum threshold qualifying amount for the regular election as established in KRS 121A.060(2)(c)~~]."; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "77"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "73"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "77" and by deleting "74" and inserting in lieu thereof "75".

Floor Amendment No. 4 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/HCS on page 119, line 25, after "thereto." by inserting: "***The amount that a candidate who is unopposed for his party's nomination for election to the General Assembly has in his campaign account in excess of one thousand dollars ($1,000) as of the filing deadline for the primary election, beginning with the primary election held in 1994, shall escheat to the State Treasury not later than seven (7) days following the primary filing deadline. The amount that a candidate for the General Assembly has in his campaign account in excess of one thousand dollars ($1,000) sixty (60) days following the regular election, beginning with the regular election held in 1994, shall escheat to the State Treasury not later than seventy (70) days following the regular election.***".

Floor Amendment No. 5 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/HCS on page 148, between lines 4 and 5, insert the following:

"Section 70. KRS 61.805 is amended to read as follows:

As used in KRS 61.805 to 61.850, unless the context otherwise requires:

(1) "Meeting" means all gatherings of every kind, regardless of where the meeting is held, and whether regular or special and information or casual gatherings held in anticipation of or in conjunction with a regular or special meetings;

(2) "Public agency" means:

(a) Every state or local government board, commission, and authority;

(b) Every state or local legislative board, commission, and committee;

(c) Every county and city governing body, council, school district board, special district board, and municipal corporation;

(d) Every state or local government agency, including the policy-making board of an institution of education, created by or pursuant to state or local statute, executive order, ordinance, resolution, or other legislative act;

(e) Any body created by or pursuant to state or local statute, executive order, ordinance, resolution, or other legislative act in the legislative or executive branch of government;

(f) A General Assembly political caucus;

(g)[~~(f)~~] Any entity when the majority of its governing body is appointed by a "public agency" as defined in paragraph (a), (b), (c), (d), (e), ***(f)***[~~(g)~~], [~~or~~] (h)***, or (i)*** of this subsection, a member or employee of a "public agency," a state or local officer, or any combination thereof;

(h)[~~(g)~~] Any board, commission, committee, subcommittee, ad hoc committee, advisory committee, council, or agency, except for a committee of a hospital medical staff or a committee formed for the purpose of evaluating the qualifications of public agency employees, established, created, and controlled by a "public agency" as defined in paragraph (a), (b), (c), (d), (e), (f), ***(g),*** or ***(i)*** [~~(h)~~]of this subsection; and

(i)[~~(h)~~] Any interagency body of two (2) or more public agencies where each "public agency" is defined in paragraph (a), (b), (c), (d), (e), (f), [~~or~~](g)***, or (h)*** of this subsection;

(3) "Action taken" means a collective decision, a commitment or promise to make a positive or negative decision, or an actual vote by a majority of the members of the governmental body; and

(4) "Member" means a member of the governing body of the public agency and does not include employees or licensees of the agency."; and

Renumber subsequent sections accordingly; and

On page 151, line 12, delete "76" and insert in lieu thereof "77"; and

On page 152, line 17, delete "72" and insert in lieu thereof "73"; and

On page 153, line 23, delete "76" and insert in lieu thereof "77" and delete "74" and insert in lieu thereof "75".

Floor Amendment No. 6 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/HCS on page 20, line 19, after "***(c)***" by deleting the remainder of the line; and

On page 20, by deleting lines 20 and 21 in their entirety; and

On page 20, line 22, by deleting "***(d)***"; and

On page 22, line 17, by deleting "***nor***" and inserting in lieu thereof "***but it***" and after "***shall***" by deleting "***it***"; and

On page 22, line 19, after "***businesses***" by inserting "***and professional service corporations formed under KRS Chapter 274***"; and

On page 22, by deleting lines 21 and 22 in their entirety; and

On page 22, line 23, by deleting "***rendering its decision***".

Floor Amendment No. 7 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/HCS on page 43, line 25, after "***of***" by inserting the following: "***eleven (11) members including: two (2) former members of the legislative department; two (2) former members of the executive department; two (2) former members of the judicial department; two (2) former officials of a city government; two (2) former officials of a county, urban-county, or charter county government; and one (1) private citizen who is not in one of the other categories listed in this subsection and who is not subject to the provisions of this code other than by reason of his appointment to or service on the commission.***

(3)(a) The members shall be appointed by the Governor from a list of forty-two (42) individuals nominated by the Chief Justice and Associate Justices of the Kentucky Supreme Court.

(b) The Chief Justice and each Associate Justice shall nominate from his respective Supreme Court district one (1) individual for each membership category in subsection (2) of this section. In the case of vacancies, the Chief Justice and each Associate Justice shall nominate one (1) individual from his respective Supreme Court district to fill the vacancy.

(c) The Governor shall appoint to the commission no more than two (2) members from each congressional district. Six (6) members shall be from the state's majority political party, and five (5) members shall be from the largest minority party.

(d) The Chief Justice and the Associate Justices shall submit their nominations to the Governor within forty-five (45) days after the effective date of this Act or the creation of a vacancy. The Governor shall make the appointments within sixty (60) days of the effective date of this Act or the creation of a vacancy.

(4) A member of the commission shall serve a term of four (4) years. However, the initial members of the commission shall serve the following terms:

(a) Three (3) members shall serve a term of one (1) year;

(b) Three (3) members shall serve a term of two (2) years;

(c) Three (3) members shall serve a term of three (3) years; and

(d) Two (2) members shall serve a term of four (4) years.

(5) An individual shall not serve more than two (2) consecutive terms as a member of the commission. A member of the commission shall continue in office until a successor is appointed and qualified."; and

On page 43, line 25, by deleting "***nine (9)***" and;

On page 43, by deleting line 26 in its entirety; and

On page 44, by deleting lines 1 through 26 in their entirety; and

On page 45, by deleting lines 1 through 23 in their entirety; and

On page 46, by deleting lines 9 and 10 in their entirety; and

On page 46, line 11, by changing "***(8)***" to "***(7)***"; and

On page 46, line 23, by changing "***(9)***" to "***(8)***"; and

On page 46, line 24, by deleting "***Legislative Research Commission***" and inserting in lieu thereof "***Governor***"; and

On page 47, line 16, by deleting "***five (5)***" and inserting in lieu thereof "***six (6)***"; and

On page 47, line 17, by deleting "***five (5)***" and inserting in lieu thereof "***six (6)***"; and

On page 152, line 3, by deleting "Legislative Research Commission, President" and inserting in lieu thereof "Governor"; and

On page 152, by deleting line 4 in its entirety.

Floor Amendment No. 8 to the House Committee Substitute to **SB 7**, by Representative Jensen:

Amend printed copy of **SB 7/HCS** on page 148, after line 4, by inserting "SECTION 70. A NEW SECTION OF KRS 121.150 to 121.220 IS CREATED TO READ AS FOLLOWS:

(1) A candidate for the state House of Representatives may make campaign expenditures which, in the aggregate, shall not exceed fifteen thousand dollars ($15,000) in the primary and regular elections combined.

(2) A candidate for the state Senate may make campaign expenditures which, in the aggregate, shall not exceed thirty thousand dollars ($30,000) in the primary and regular elections combined.

(3) A candidate for the General Assembly shall not exceed the expenditure limitations of subsections (1) or (2) of this section through an additional reported or unreported expenditure by any person, committee, or contributing organization which does not qualify as an "independent expenditure" as defined in KRS 121.150(1).

(4) The expenditure limit amounts established in subsections (1) and (2) of this section shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment in a year in which members of the General Assembly are elected not later than the filing deadline for the primary election and notify candidates for the General Assembly of the adjusted expenditure limits."; and

By renumbering the remaining sections accordingly; and

On page 151, after line 12, by deleting "76" and inserting in lieu thereof "77"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "73"; and

On page 153, after line 23, by deleting "76" and inserting in lieu thereof "77" and by deleting "74" and inserting in lieu thereof "75".

Floor Amendment No. 9 to the House Committee Substitute to **SB 7**, by Representative Jensen:

Amend printed copy of **SB 7/HCS** on page 148, after line 4, by inserting the following:

"Section 70. KRS 117.085 is amended to read as follows:

(1) All requests for an application for an absentee ballot may be transmitted by telephone, facsimile machine, by mail, or in person. All applications for an absentee ballot shall be transmitted only by mail or in person as specifically provided by this section. Except for qualified voters who apply pursuant to the requirements of KRS 117.075 and 117.077, and those who are incarcerated in jail but have yet to be convicted, no absentee ballots shall be mailed to an address within the county except to those voters who regularly work outside the county during all hours the office of the county clerk is open. In the case of ballots returned by mail, the county clerk shall provide an absentee ballot, two (2) official envelopes for returning the ballot, and instructions for voting to a voter who presents a completed application for an absentee ballot as provided in this section and who is properly registered as stated in his application. Application for an absentee ballot shall be made as follows:

(a) Any qualified voter in any county who shall be absent from the county on any election day or any person incarcerated in jail who has been charged for a crime but has yet to be convicted of the crime may, at any time not less than the close of normal business hours seven (7) days before the election, make application in person or by mail to the county clerk for an absentee ballot. Requests for an application for an absentee ballot may be transmitted by telephone, facsimile machine, by mail, or in person. All applications for an absentee ballot shall be made in person or by mail, at the option of the voter, except that the county clerk shall hand an application for an absentee ballot to the voter who appears in person to request the application, or shall mail the application to a voter who requests the application by telephone, facsimile machine, or mail. The application shall be restricted to use of the voter or the spouse, parents, or children of the voter;

(b) Any qualified voter in any county who finds, within the last seven (7) days preceding an election, that he shall be unexpectedly absent from the county on election day may apply for and vote by means of an absentee ballot up to the close of normal business hours on the day before the election. The voter shall complete and sign, under penalty of perjury, an affidavit of emergency stating that he had no knowledge of his absence prior to seven (7) days before the election. The application shall be restricted to the use of the voter and the absentee ballot shall be executed in the office of the county clerk during normal business hours.

(c) Residents of Kentucky who are members of the Armed Forces, dependents of members of the Armed Forces and overseas citizens, may apply for an absentee ballot by means of the federal post-card application. The application may be used to register, reregister, and to apply for an absentee ballot. If the federal post-card application is received at any time not less than seven (7) days before the election, the county clerk shall affix his seal to the application form upon receipt; and

(d) Any member of the county board of elections, any precinct election officer appointed to serve in a precinct other than that in which he is registered, and any alternate precinct election officer may vote by absentee ballot. The application form for those persons shall be prescribed by the State Board of Elections and, in the case of application by precinct election officers, shall contain a verification of appointment signed by a member of the county board of elections. If an alternate precinct election officer or a precinct election officer appointed to serve in a precinct other than that in which he is registered receives his appointment less than seven (7) days prior to the election, such officer may vote by absentee ballot in the county clerk's office up to the close of normal business hours on the day before the election. In case of such voters, the verification of appointment shall also contain the date of appointment. The applications shall be restricted to the use of the voter only.

(2) The clerk shall type the name of the voter on the application form for that person's use and no other. The application form shall be in the form prescribed by the State Board of Elections, shall bear the seal of the county clerk, and shall contain the following information: name, residential address, precinct, party affiliation, statement of absence on election day, statement of where the voter shall be on election day, statement of compliance with residency requirements for voting in the precinct, and the voter's mailing address for an absentee ballot. The form shall be verified and signed by the voter. A notice of the actual penalty provisions in KRS 117.995(2) and (5) shall be printed on the application.

(3) If the county clerk finds that the voter is properly registered as stated in his application and qualifies to receive an absentee ballot, he shall mail to the voter an absentee ballot, two (2) official envelopes for returning the ballot, and instructions for voting. The county clerk shall complete a postal form for a certificate of mailing for ballots mailed within the fifty (50) states, and it shall be stamped by the postal service when the ballots are mailed.

(4) Absentee ballots which are requested prior to the printing of the ballots shall be mailed by the county clerk to the voter within three (3) days of the receipt of the printed ballots; and absentee ballots which are requested subsequent to the receipt of the ballots by the county clerk shall be mailed to the voter within three (3) days of the receipt of the request.

(5) The clerk shall cause ballots to be printed fifty (50) days prior to each primary or general election and ten (10) days prior to each runoff primary. ***No ballots shall be printed for use in any election which permit a voter to cast a single vote which would be counted as being cast for all candidates of a political party who appear on the ballot.***

(6) The outer envelope shall bear the words "Absentee Ballot" and the address and official title of the county clerk and shall provide space for the voter's signature, voting address and precinct number. A detachable flap on the inner envelope shall provide space for the voter's signature, voting address, precinct number and notice of penalty provided in KRS 117.995(5). The clerk shall type the voter's address and precinct number in the upper left hand corner of the outer envelope and of the detachable flap on the inner envelope immediately below the blank space for the voter's signature. The inner envelope shall be blank. The clerk shall retain the application and the postal form required by subsection (3) of this section for twenty-two (22) months after the election.

(7) Any person who has received an absentee ballot but who knows at least seven (7) days before the date of the election that he will be in the county on election day and who has not voted pursuant to the provisions of KRS 117.086 shall cancel his absentee ballot and vote in person. He shall return his absentee ballot to the county clerk's office no later than seven (7) days prior to the date of the election. Upon the return of the absentee ballot, the clerk shall mark on the outer envelope of the sealed ballot or the unmarked ballot the words "Canceled because voter appeared to vote in person." Sealed envelopes so marked shall not be opened. The clerk shall remove the voter's name from the list of persons who were sent absentee ballots, and the voter may vote in the precinct in which he is properly registered.

Section 71. KRS 117.145 is amended to read as follows:

(1) At least fifteen (15) days before any special election, and at least fifty (50) days before any primary or regular election, the county clerk of each county shall cause to be printed and ready for use ballot labels for each candidate who, and each question which, is entitled to be voted upon in such election. The ballot labels shall be printed on clear white paper or other material which shall be furnished by the printer. They shall be printed in black ink, in plain, clear type clearly legible to a person with normal vision, and shall be of a size to fit the ballot frames. The labels shall include the necessary party designations.

(2) Each county clerk shall have printed a sufficient number of paper absentee ballots. The absentee ballot shall be used for voting by absent voters; by precinct officers who have been assigned to a precinct other than their own; by members of a county board of elections; by voters so disabled by age, infirmity or illness as to be unable to appear at the polls; and for voting in an emergency situation. The ballot stubs shall be consecutively numbered and the county board shall keep a record, by number, of all absentee ballots used for any of the purposes listed herein.

(3) No later than the Friday preceding a special or regular election, the county clerk shall equip the voting machines with the necessary supplies for the purpose of write-in votes. The county clerk shall also attach a pencil or pen to the voting machine for write-in purposes.

(4) If supplemental paper ballots have been approved as provided in KRS 118.215, the county clerk shall cause to be printed a sufficient number of paper ballots for the registered voters of each precinct. The paper ballots shall have stubs which are numbered consecutively. The quality of paper on which the supplemental paper ballots are printed shall be determined by regulations promulgated by the secretary of the Finance and Administration Cabinet.

(5) No absentee ballots or supplemental paper ballots shall be printed which permit a voter to cast a single vote which would be counted as being cast for all candidates of a political party who appear on the ballot.

Section 72. KRS 117.205 is amended to read as follows:

Before permitting any person to vote on the day of the election, the election officers shall examine the machine to ascertain whether it has been operated since the counters referred to in subsections (10) and (11) of KRS 117.125 were set at zero, ***to ensure that the machine is not equipped with any mechanism that would permit a voter to cast a single vote which would be counted as being cast for all candidates of a political party who appear on the ballot,*** and to ascertain whether the ballot labels are arranged as specified on the printed instruction cards. If the machine indicates that it has been operated or if the ballot labels are not so arranged, the officers shall not unlock the operating device or mechanism, but shall immediately secure the attendance of the county clerk and one (1) member of the county board of elections other than the county clerk, who shall reset the counters at zero and relock the device covering the counters, or properly arrange the ballot labels, as the case may be, in the presence of the election officers. If the attendance of members of the board of elections cannot be obtained before the opening of the polls or within one (1) hour thereafter, the election officers shall notify the county clerk of the foregoing facts and obtain from the county clerk a reserve voting machine, and proceed to conduct the election. Any reserve machine shall have been certified for use at the election by the county board of elections and prepared for use at the election by the election officers in the precinct in the same manner as the original machine was prepared for the election. The machine found to have been so operated shall be returned immediately to the custody of the county clerk, whose duty it shall be to promptly repair same in order that it may be used as a reserve machine in the election if needed.

Section 73. KRS 117.381 is amended to read as follows:

No electronic voting system shall, upon any examination or reexamination, be approved by the State Board of Elections unless it shall be established that such system, at the time of examination or reexamination:

(1) Provides for voting in secrecy;

(2) Permits each voter to vote at any election for all candidates and questions for which he is lawfully entitled to vote, and no others;

(3) ***Prevents*** [~~Permits~~] each voter, at the general election to vote a straight political party ticket by one (1) or more marks or acts;

(4) Provides a method for write-in voting;

(5) Provides for a nonpartisan ballot;

(6) If it is of a type that registers the vote electronically, the voting system shall preclude each voter from voting for more persons for any office than he is entitled to vote for or upon any question more than once;

(7) Permits each voter at a primary election to vote only for the candidates seeking nomination by a political party in which such voter is registered, and for any candidate for nonpartisan nomination, and for any question upon which he is entitled to vote;

(8) If it is of a type that registers the vote electronically, the voting system shall permit each voter to change his vote for any candidate or upon any question appearing on the official ballot up to the time that he takes the final step to register his vote and to have his vote computed. If it is of a type that uses paper ballots or ballot cards to register the vote and automatic tabulating equipment to compute such votes, the system shall provide that a voter who spoils his ballot may obtain another ballot;

(9) Is suitably designed for the purpose used, is constructed of a durable material, and is safely transportable;

(10) Is so constructed that a voter may readily learn the method of operating it; and

(11) Meets or exceeds the standards for'electronic voting equipment established by the Federal Election Commission.

Section 74. KRS 118.215 is amended to read as follows:

(1) After the order of the names has been determined as provided in KRS 118.225, the Secretary of State shall certify, to the county clerks of the respective counties entitled to participate in the nomination or election of the respective candidates, the name, place of residence, and party of each candidate or slate of candidates for each office, as specified in the nomination papers or certificates and petitions of nomination filed with him, and shall designate the device with which the candidate groups, slates of candidates, or lists of candidates of each party shall be printed, in the order in which they are to appear on the ballot, with precedence to be given to the party that polled the highest number of votes at the preceding election for presidential electors, followed by the political party which received the second highest number of votes with the order of any other political parties and independents to be determined by lot. Candidates for county offices and local state offices shall be listed in the following order: Commonwealth's attorney, circuit clerk, property valuation administrator, county judge/executive, county attorney, county clerk, sheriff, jailer, county commissioner, coroner, justice of the peace, and constable. The names of candidates for President and Vice President shall be certified in lieu of certifying the names of the candidates for presidential electors. The names shall be certified as follows:

(a) Not later than the third Tuesday in February preceding a primary;

(b) Not less than twenty-five (25) days before a runoff primary;

(c) Not later than the third Tuesday in August preceding a general election, the certification of candidates to federal office; and

(d) Not later than the third Tuesday in August preceding a general election, the certification to include all candidates and slates of candidates except those to federal office.

(2) Except as otherwise provided in subsection (3) of this section, all independent candidates or slates of candidates whose nominating petitions are filed with the county clerk or the Secretary of State shall be listed under the title and device designated by them as provided in KRS 118.315, or if none is designated, under the word "independent," and shall be placed on the ballot in a separate column or columns or in a separate line or lines according to the office which they seek. The order in which independent candidates or slates of candidates shall appear on the ballot shall be determined by lot by the county clerk. If the same device is selected by two (2) groups of petitioners, it shall be given to the first selecting it and the county clerk shall permit the other group to select a suitable device. This section shall not apply to candidates for municipal offices which come under subsection (3) of this section.

(3) The ballots used at any election in which city officers are to be elected as provided in subsection (2) of this section shall contain the names of candidates for the city offices grouped according to the offices they seek, and the candidates shall be immediately arranged with and designated by the title of office they seek. The order in which the names of the candidates for each office are to be printed on the ballot shall be determined by lot. Each group of candidates for each separate office for which the candidates are to be elected shall be clearly separated from other groups on the ballot and spaced to avoid confusion on the part of the voter.

(4) The Secretary of State shall not knowingly certify to the county clerk of any county the name of any candidate or slate of candidates who has not filed the required nomination papers, nor knowingly fail to certify the name of any candidate or slate of candidates who has filed the required nomination papers.

(5) If the county clerk determines that the number of certified candidates or slates of candidates cannot be placed on a ballot which can be accommodated by the voting machines currently in use by the county, he shall so notify the State Board of Elections not later than the last Tuesday in February preceding the primary or the last Tuesday in August preceding the general election. The State Board of Elections shall meet within five (5) days of the notice, review the ballot conditions, and determine whether supplemental paper ballots are necessary for the election. Upon approval of the State Board of Elections, supplemental paper ballots may be used for nonpartisan candidates or slates of candidates for an office or offices and public questions submitted for a yes or no vote. All candidates or slates of candidates for any particular office shall be placed either on the machine ballot or on the paper ballot. ***No ballots shall be used which permit a voter to cast a single vote which would be counted as being cast for all candidates of a political party who appear on the ballot.***

(6) The ballot position of a candidate or slate of candidates shall not be changed after the ballot position has been designated by the county clerk.

Section 75. KRS 118.305 is amended to read as follows:

(1) Except as provided in KRS 118.345, and subject to the provisions of subsections (2), (3), and (4) of this section, the county clerk of each county shall cause to be printed for the voting machines and on the absentee ballots for the regular election the names of the following persons:

(a) Candidates of a political party, as defined in KRS 118.015, who have received certificates of nomination at the preceding primary election, or certificates of nomination under KRS 118.185, and whose certificates of nomination have been filed with the Secretary of State or the appropriate county clerk;

(b) Candidates of a political party, as defined in KRS 118.015, who have been nominated for an unexpired term in a manner determined by the governing authority of the party, as provided in KRS 118.115, and whose evidences of nomination have been filed with the Secretary of State or the appropriate county clerk within the time prescribed in this chapter;

(c) Candidates of a political party, as defined in KRS 118.015, who have been nominated by the governing authority of the party to fill a vacancy in the candidacy of a person nominated at the preceding primary election, as provided in KRS 118.105, and whose certificates of nomination have been filed with the Secretary of State or the appropriate county clerk, by at least the date provided by the election law generally for such filing;

(d) Candidates who have been nominated by a political organization as provided in KRS 118.325 and whose certificates or petitions of nomination have been filed with the Secretary of State or the appropriate county clerk within the time prescribed in this chapter;

(e) Independent candidates who have been nominated by petition as provided in KRS 118.315, and whose petitions of nomination have been filed with the Secretary of State or the appropriate county clerk within the time prescribed in this chapter;

(f) Successful nominees of all nonpartisan primaries which shall have been conducted;

(g) Candidates who have filed a petition of candidacy as shall be required to fill a vacancy which shall appear on the ballot;

(h) If a vacancy in a candidacy occasioned by the death, removal or resignation of a candidate before the election and after the ballot labels have been prepared is filled by the chairman of the state, district, or county political organization as provided by law, the chairman shall furnish to the county clerk a sufficient number of printed ballot labels bearing the name of the new candidate to replace those bearing the name of the candidate with respect to which the vacancy has occurred. If the ballot labels are furnished to the clerk before the machines are delivered to the election precincts, the clerk shall cause them to be inserted in the proper ballot frames. If they are furnished after the machines have been delivered to the election precincts, the county clerk shall cause the ballot labels to be delivered to the clerk of each precinct, with directions as to insertion in the proper ballot frames;

(i) Candidates for President and Vice President of the United States, of those political parties and organizations who have nominated presidential electors as provided in KRS 118.325, if the certificate of nomination of the electors has been filed with the Secretary of State within the time prescribed in this chapter;

(j) Candidates for soil and water district supervisors who have been nominated by petition as provided in KRS 262.210; and

(k) Candidates for city office for which no nonpartisan primary has been conducted in a city which requires nonpartisan city elections.

(2) Any candidate for city office who is defeated in a partisan or nonpartisan primary election shall be ineligible as a candidate for the same office in the regular election.

(3) Candidates for members of boards of education shall have their names printed on ballot labels and absentee ballots for the regular election only after filing as provided in KRS 160.220.

(4) Except as provided in KRS 118.105 and 118.115, the name of no candidate shall be printed upon the ballot labels and absentee ballots for any regular election as the nominee of any political party, as defined in KRS 118.015, or under the emblem of any political party, as so defined, except those candidates who have been duly and regularly nominated as nominees of that party at a primary election held as provided in this chapter.

(5) No county clerk shall knowingly cause to be printed, upon the ballot labels or absentee ballots for any regular election, the name of any candidate of a political party, as defined in KRS 118.015, who has not been nominated in the manner provided in the primary election laws or the name of any candidate who is not in compliance with the restrictions concerning party registration and candidacy provided in subsection (1) of KRS 118.315.

(6) The names of candidates for President and Vice President shall be certified in lieu of certifying the names of the candidates for presidential electors.

(7) When a vacancy occurs in an elective office which is required by law to be filled temporarily by appointment, the officer or body designated by law to make the appointment, or in the case of an office to be filled by appointment from a list of nominations, the officer or body designated by law to make the nominations, shall immediately notify in writing both the county clerk and Secretary of State of the vacancy.

(8) No ballot or ballot labels shall be printed which permit a voter to cast a single vote which would be counted as being cast for all candidates of a political party who appear on the ballot."; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "82"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "78"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "82" and by deleting "74" and inserting in lieu thereof "80"; and

On page 154, line 10, by deleting "and"; and

On page 154, line 13, by deleting the period and inserting "; and" in lieu thereof; and

On page 154, between lines 13 and 14, by inserting the following:

"(g) Section 70.".

Floor Amendment No. 10 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB 7/HCS** on page 91, lines 1 through 5, by deleting all underlined language; and

On page 91, line 7, by deleting "***other***"; and

On page 95, line 11, by placing brackets around and striking through "permanent committees,"; and

On page 96, line 23, after "person" by placing brackets around and striking through ", permanent committee,"; and

On page 97, line 3, by placing brackets around and striking through "permanent committee or"; and

On page 97, line 4, after "person" by placing brackets around and striking through ", permanent committee,"; and

On page 97, line 10, by placing brackets around and striking through "permanent committee or"; and

On page 97, line 19, by deleting "]" and by striking through "Permanent committees or" and by inserting "]" after "~~or~~" and capitalizing "contributing"; and

On page 97, line 22, after “(1)” by inserting “***contributing organization***” and by placing brackets around and striking through “committee”; and

On page 97, line 25, after “(8)” by inserting “***No federally-registered out-of-state political action committee shall contribute to a Kentucky candidate, except one seeking federal office, a committee, or a contributing organization. No Kentucky candidate, except one seeking federal office, committee, or contributing organization shall accept a contribution from a federally-registered out-of-state political action committee.***” and by inserting “[” before “No” and striking through the remaining language on that line; and

On page 97, by striking through all language on line 26; and

On page 98, by striking through all language on lines 1 and 2 and by inserting “]” after “~~:~~”; and

On page 98, line 3, by inserting “[” before “permanent” and by striking through “permanent”; and

On page 98, line 4, by striking through “committee,” the first time it appears and by inserting “]” after “~~;~~” the first time it appears and by placing brackets around and striking through “,” the second time it appears; and

On page 98, line 9, by placing brackets around and striking through “permanent committees and”; and

On page 101, line 25, after “(22)” by inserting “[” and by striking through the remaining language on the line; and

On page 101, line 26, by striking through all language on that line; and

On page 102, by striking through all language on lines 1 and 2; and

On page 102, line 3, by striking through “(23)” and by inserting “]” after “~~(23)~~”; and

On page 102, line 8, at the beginning of the line by inserting “***(23)***” and by placing brackets around and striking through “(24)”; and

On page 102, by deleting lines 17 through 26 in their entirety; and

On page 103, by deleting lines 1 through 20 in their entirety; and

On page 104, lines 18 through 22, by deleting all underlined language; and

On page 109, lines 22 through 26, by deleting all underlined language; and

On page 110, line 1, by deleting “***other***”; and

On page 111, lines 19 through 24, by deleting all underlined language; and

On page 111, line 25, by deleting “***other***”; and

On page 111, line 26, by deleting “***other***”; and

On page 114, line 17, by placing brackets around and striking through “(a)” and by placing brackets around and striking through “permanent committee,”; and

On page 114, line 18, by placing brackets around and striking through “,”; and

On page 114, lines 22 through 26, by deleting all underlined language; and

On page 115, line 1, by deleting “***and***” and “***other***”; and

On page 115, line 13, after “by” by inserting “***an***” and placing an opening bracket before “a” and striking through “a”; and

On page 115, line 14, by striking through “permanent committee,” and placing a closing bracket thereafter; and

On page 115, line 14, after “inaugural committee” by placing brackets around and striking through “,”; and

On page 115, line 25, by placing “[” before “;” and by striking through “;”; and

On page 115, line 26, by striking through “and”; and

On page 116, by striking through all language on lines 1 through 14; and

On page 116, line 15, by striking through "121A.020" and inserting "]" after "~~121A.020~~; and

On page 122, lines 2 through 6, by deleting all underlined language; and

On page 122, line 7, by deleting "***and***" and "***other***"; and

On page 125, lines 1 through 16, by deleting all underlined language; and

On page 126, line 10, by deleting "***(4)***" and removing the brackets and strikethroughs from "[~~(3)~~]"; and

On page 126, line 15, by deleting "***(5)***" and removing the brackets and strikethroughs from "[~~(4)~~]"; and

On page 148, after line 4, by inserting the following:

"Section 70. KRS 121.015 is amended to read as follows:

As used in this chapter:

(1) "Registry" means the Kentucky Registry of Election Finance;

(2) "Election" means any primary, runoff primary, regular, or special election to fill vacancies regardless of whether a candidate or slate of candidates is opposed or unopposed in an election. Each primary, runoff primary, regular, or special election shall be considered a separate election;

(3) "Committee" includes the following:

(a) "Campaign committee," which means one (1) or more persons who receive contributions and make expenditures to support or oppose one (1) or more specific candidates or slates of candidates for nomination or election to any state, county, city, or district office;

(b) "Political issues committee," which means three (3) or more persons joining together to advocate or oppose a constitutional amendment or public question which appears on the ballot if that committee receives or expends money in excess of one thousand dollars ($1,000);

(c) [~~"Permanent committee," which means a group of individuals, including an association, committee or organization, other than a campaign committee, political issues committee, inaugural committee, or party executive committee, which is established as, or intended to be, a permanent organization having as a primary purpose political activity which may include support of or opposition to selected candidates, slates of candidates, political parties, or issues of public importance, and which functions on a regular basis throughout the year;~~

~~(d)~~] An executive committee of a political party; and

(d) [~~(e)~~] "Inaugural committee," which means one (1) or more persons who receive contributions and make expenditures in support of inauguration activities for any candidate or slate of candidates elected to any state, county, city, or district office;

(4) "Contributing organization" means a group which merely contributes to candidates, campaign committees, or executive committees from time to time from funds derived solely from within the group, and which does not solicit or receive funds from sources outside the group itself. However, any contributions made by the groups in excess of one hundred dollars ($100) shall be reported to the registry;

(5) "Testimonial affair" means an affair held in honor of a person who holds or who is or was a candidate for nomination or election to a political office in this state designed to raise funds for any purpose not charitable, religious, or educational;

(6) "Contribution" means any:

(a) Payment, distribution, loan, deposit, or gift of money or other thing of value, to a candidate, his agent, a slate of candidates, its authorized agent, a committee, or contributing organization. As used in this subsection, "loan" shall include a guarantee, endorsement, or other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser, as well as with a committee, contributing organization, candidate, slate of candidates, or other primary obligor. No person shall become liable as surety, endorser, or guarantor for any sum in any one (1) election which, when combined with all other contributions the individual makes to a candidate, his agent, a slate of candidates, its agent, a committee, or a contributing organization, exceeds the contribution limits provided in KRS 121A.050 or KRS 121.150;

(b) Payment by any person other than the candidate, his authorized treasurer, a slate of candidates, its authorized treasurer, a committee, or a contributing organization, of compensation for the personal services of another person which are rendered to a candidate, slate of candidates, committee, or contributing organization, or for inauguration activities;

(c) Goods, advertising, or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are furnished to a candidate, slate of candidates, committee, or contributing organization or for inauguration activities without charge, or at a rate which is less than the rate normally charged for the goods or services;

(d) Payment by any person other than a candidate, his authorized treasurer, a slate of candidates, its authorized treasurer, a committee, or contributing organization for any goods or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are utilized by a candidate, slate of candidates, committee, or contributing organization, or for inauguration activities; or

(e) Expenditure in connection with any other activity undertaken independently of the activities of a candidate, slate of candidates, committee, or contributing organization made or furnished for the purpose of influencing the results of an election;

(7) Notwithstanding the foregoing meanings of "contribution," the word shall not be construed to include:

(a) Services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate, committee, or contributing organization; or

(b) A loan of money by any financial institution doing business in Kentucky made in accordance with applicable banking laws and regulations and in the ordinary course of business;

(8) "Candidate" means any person who has received contributions or made expenditures, has appointed a campaign treasurer, or has given his consent for any other person to receive contributions or make expenditures with a view to bringing about his nomination or election to public office, except federal office;

(9) "Slate of candidates" means any two (2) persons who have filed a joint notification and declaration pursuant to KRS 118.127, received contributions or made expenditures, appointed a campaign treasurer, designated a campaign depository, or given their consent for any other person to receive contributions or make expenditures with a view to bringing about their nomination for election to the offices of Governor and Lieutenant Governor. Unless the context requires otherwise, any provision of law that applies to a candidate shall also apply to a slate of candidates;

(10) "Knowingly" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists; and

(11) "Fundraiser" means an individual who directly solicits and secures contributions on behalf of a candidate or slate of candidates for public office.

Section 71. KRS 121.170 is amended to read as follows:

(1) Any committee organized under any provisions of this chapter shall register with the registry, by filing official notice of intention at the time of organization, giving names, addresses, and positions of the officers of the organization and designating the candidate or candidates, slate of candidates, or question it is organized to support or oppose on forms prescribed by the registry. The name of the committee shall reasonably identify to the public the sponsorship and purpose of the committee. The forms filed with the registry shall require the registrant to clearly identify the specific purpose, sponsorship, and source from which the committee originates; and the registry shall refuse to allow filing by any committee until this requirement has been satisfied.

(2) Any person who acts as a fundraiser by directly soliciting contributions for an election campaign of a candidate or slate of candidates for elected office shall register with the registry when he raises in excess of three thousand dollars ($3,000) in any one (1) election for the campaign committee by filing official notice giving his name, address, occupation, employer or, if he is self-employed, the name under which he is doing business, and all candidates or slates of candidates for whom he is soliciting on forms prescribed by the registry. A registered fundraiser shall comply with the campaign finance reporting requirements of KRS 121.180(3), (4), and (5) and KRS 121A.010(5).

(3) All provisions of KRS 121.160 and 121A.070 governing the duties and responsibilities of a candidate, slate of candidates, or campaign treasurer shall apply to a registered committee[~~, except a federally registered out-of-state permanent committee,~~] and a person acting as a campaign fundraiser.

(4) The chairman of a committee and the campaign treasurer shall be separate persons.

[~~(5) A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry at the time it files its registration papers. A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry no later than the last day of the first calendar quarter following the year in which it registers with the registry and each succeeding year thereafter until the permanent committee terminates. The amount of administrative fees received by the registry from permanent committees shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.~~

~~(6) Any federally registered out-of-state permanent committee that contributes to a Kentucky candidate shall:~~

~~(a) File with the registry a copy of its federal registration (Federal Election Commission Form 1 - Committee Registration Form);~~

~~(b) File with the registry a copy of the Federal Election Commission finance report when a contribution is made to a Kentucky candidate; and~~

~~(c) Contribute not more than the maximum amount permitted for a permanent committee to make under Kentucky law to any candidate for any office in this Commonwealth.~~

~~(7) Notwithstanding any provision of law to the contrary, a contribution made by a federally registered permanent committee to any candidate for any office in this Commonwealth that complies with the provisions of 2 U.S.C. 441b, 11 C.F.R. 104.10, 11 C.F.R. 106.6, and 11 C.F.R. 114.1-114.12 regarding limitations on contributions by corporations shall be deemed to comply with the campaign finance laws of this Commonwealth prohibiting corporate contributions to candidates.~~]

Section 72. KRS 121A.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Registry" means the Kentucky Registry of Election Finance;

(2) "Fund" means the election campaign fund;

(3) "Transfer" means a transfer from the fund to a qualifying slate of candidates;

(4) "Qualifying contribution" means a contribution made to a slate of candidates for Governor and Lieutenant Governor by a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization that is authorized to contribute to candidates that is paid by personal check, cashier's check, or money order. A qualifying contribution shall not include a cash contribution, loan, pledge, nonmonetary contribution, or contribution by a slate of candidates in excess of the contribution limits of KRS 121A.050;

(5) "Qualifying slate of candidates" means any slate of candidates of a political party or any independent nominees for Governor and Lieutenant Governor whose names are qualified to appear jointly on a primary or runoff primary election ballot, or candidates who have filed a notification and declaration pursuant to KRS 118.127 who are authorized by this chapter to receive contributions and make expenditures jointly for the regular election, and one (1) that has otherwise qualified under this chapter to receive a transfer from the election campaign fund, including having raised the minimum threshold qualifying amount. "Qualifying slate of candidates," when applied to a runoff primary, means a slate of candidates for Governor and Lieutenant Governor that has been certified by the Secretary of State as one that has received the highest or next highest number of votes for its party's nomination in a primary that filed a statement of intent to accept a transfer from the fund and abide by the expenditure limit for the primary which was not rescinded in a timely manner;

(6) "Slate of candidates" means any two (2) persons who have filed a joint notification and declaration pursuant to KRS 118.127, received contributions or made expenditures, appointed a campaign treasurer, designated a campaign depository, or given their consent for any other individual to receive contributions or make expenditures, with a view to bringing about their nomination for election to the offices of Governor and Lieutenant Governor. Unless the context requires otherwise, any provision of law that applies to a candidate shall also apply to a slate of candidates;

(7) "Candidate campaign account" means the bank account required by KRS 121.160 to be established, which for a slate of candidates for Governor and Lieutenant Governor shall be in a financial institution authorized to do business in Kentucky which is insured by the Federal Deposit Insurance Corporation and shall be for the sole purpose of receiving transfers from the fund and contributions or other moneys raised from personal resources;

(8) “Campaign expenditures” means lawful expenditures from a candidate campaign account on behalf of a slate of candidates to further its nomination or election to the offices of Governor and Lieutenant Governor authorized by the campaign committee treasurer or other authorized individual;

(9) “Committee” includes the following:

(a) “Campaign committee” which means one (1) or more persons who receive contributions and make expenditures to support or oppose one (1) or more specific slate of candidates for nomination or election to the offices of Governor and Lieutenant Governor;

(b) “Political issues committee,” which means three (3) or more persons joining together to advocate or oppose a constitutional amendment or public question which will appear on the ballot if that committee receives or expends money in excess of one thousand dollars ($1,000); ***and***

(c) [~~“Permanent committee,” which means a group of individuals, including an association, committee, or organization, other than a campaign committee or party executive committee, which is established as, or intended to be, a permanent organization having as a primary purpose political activity which may include support of or opposition to selected candidates, political parties, or issues of public importance, and which functions on a regular basis throughout the year; and~~

~~(d)~~] An executive committee of a political party;

(10) “Contributing organization” means a group which merely contributes to candidates, campaign committees, or executive committees from time to time from funds derived solely from within the group, and which does not solicit or receive funds from sources outside the group itself. However, any contribution made by a contributing organization in excess of one hundred dollars ($100) shall be reported to the registry;

(11) (a) “Contribution” means any:

1. Payment, distribution, loan, deposit, or gift of money or other thing of value, to a slate of candidates, its agent, a committee, or contributing organization. As used in this subsection, “loan” shall include a guarantee, endorsement, or other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser, as well as with a committee, contributing organization, slate of candidates, or other primary obligor. No individual shall become liable as surety, endorser, or guarantor for any sum which, when combined with all other contributions the individual makes to the slate of candidates, its agent, the committee, or the contributing organization, exceeds the contribution limits provided in KRS 121.150;

2. Payment by any individual other than the slate of candidates, its authorized treasurer, a committee, or contributing organization of compensation for the personal services of another individual which are rendered to a slate of candidates, committee, or contributing organization;

3. Goods, advertising, or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are furnished to a slate of candidates, committee, or contributing organization without charge, or at a rate which is less than the rate normally charged for such goods or services;

4. Payment by any individual other than the slate of candidates, its authorized treasurer, a committee, or contributing organization for any goods or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are utilized by a slate of candidates, committee, or contributing organization;

5. Expenditure in connection with any other activity undertaken independently of activities of a slate of candidates, of a committee, or of a contributing organization made or furnished for the purpose of influencing the results of an election.

(b) Notwithstanding the foregoing meanings of “contribution,” it shall not be construed to include:

1. Services provided without compensation by individuals volunteering a portion or all of their time on behalf of a slate of candidates, committee, or contributing organization;

2. Expenditures by an individual other than a candidate in connection with an event held in the individual’s home when the individual expends less than three hundred dollars ($300); or

3. A loan of money by any financial institution doing business in Kentucky made in accordance with applicable banking laws and regulations and in the ordinary course of business; and

(12) "Knowingly" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Section 73. KRS 121A.030 is amended to read as follows:

(1) A qualifying slate of candidates for Governor and Lieutenant Governor that receives transfers from the fund may make campaign expenditures which, in the aggregate, including the expenditure of transfers from the fund, shall not exceed one million eight hundred thousand dollars ($1,800,000) in connection with a primary election campaign and one million eight hundred thousand dollars ($1,800,000) in connection with a regular election campaign, subject to the provisions of KRS 121A.080(4) and (5), and three hundred thousand dollars ($300,000) in connection with a runoff primary campaign.

(2) The expenditure limit amounts established in subsection (1) of this section shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment in a year in which a Governor and Lieutenant Governor are elected not later than the filing deadline for the primary election.

(3) No qualifying slate of candidates for Governor and Lieutenant Governor that receives a transfer from the fund or that is otherwise subject to expenditure limitations shall exceed the expenditure limitations of subsection (1) of this section through an additional reported or unreported expenditure by any person, committee, or contributing organization which does not qualify as an "independent expenditure" as defined in KRS 121.150(1).

(4) [~~A slate of candidates for Governor and Lieutenant Governor that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit that was not rescinded pursuant to KRS 121A.040(4) may receive contributions from permanent committees which, in the aggregate, shall not exceed twenty-five percent (25%) of the qualifying contributions received by the slate of candidates in any one (1) election. A slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund pursuant to KRS 121A.040(4) may receive contributions from permanent committees which, in the aggregate, shall not exceed twenty-five percent (25%) of the qualifying contributions received by the slate of candidates in any one (1) election up to a maximum of one hundred fifty thousand dollars ($150,000) in any one (1) election.~~

~~(5)~~] No slate of candidates for Governor and Lieutenant Governor shall knowingly accept any other campaign contribution during the thirty (30) days immediately preceding a primary or regular election and during the fourteen (14) days immediately preceding a runoff primary except:

(a) A qualifying slate of candidates that has elected to become eligible for fund transfers or who may in the future elect to become eligible for fund transfers shall be released from expenditure limitations following a certification by the registry pursuant to KRS 121A.080(4) or (5) that a slate of candidates that has not elected to become eligible for fund transfers has received contributions or made expenditures in excess of the expenditure limits provided in subsection (1) of this section; or

(b) The matching ratio of fund transfers established in KRS 121A.060(2)(c) has been reduced by the registry pursuant to KRS 121A.080(3). If the registry reduces the matching ratio of fund transfers, a qualifying slate of candidates that has elected to become eligible for fund transfers or that may in the future elect to become eligible for fund transfers, may accept aggregate qualifying contributions which, when added to the maximum threshold qualifying amount established in KRS 121A.060(2)(c) and the amount equal to the reduced matching ratio of fund transfers shall not exceed the expenditure limit established in subsection (1) of this section, unless a qualifying slate of candidates has been released from expenditure limitations pursuant to KRS 121A.080(4) or (5).

Section 74. KRS 121A.050 is amended to read as follows:

(1) A slate of candidates that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit which was not rescinded pursuant to KRS 121A.040(4) shall not knowingly accept a contribution from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization of more than five hundred dollars ($500) in any one (1) election. Except for independent expenditures, as defined in KRS 121.150(1), no natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a contribution of more than five hundred dollars ($500) in any one (1) election to a slate of candidates that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit which was not rescinded.

(2) A slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund pursuant to KRS 121A.040(4) shall not knowingly accept a contribution of more than one hundred dollars ($100) in any one (1) election from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization. A slate of candidates that has accepted a contribution in excess of one hundred dollars ($100) that later rejects expenditure limitations or rescinds its acceptance of expenditure limitations shall refund to the contributor the amount of a contribution in excess of one hundred dollars ($100). Except for independent expenditures, as defined in KRS 121.150(1), no natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a contribution of more than one hundred dollars ($100) in any one (1) election to a slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund.

(3) No slate of candidates shall knowingly accept any cash contribution from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization. No natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a cash contribution to a slate of candidates."; and

On page 148, line 5, by deleting "70" and inserting in lieu thereof "75"; and

On page 148, by deleting lines 10 through 13 in their entirety; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "80"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "76"; and

On page 153, line 22, by deleting "(1) and (2)" and inserting in lieu thereof "(1), (2), and (3)"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "80" and by deleting "74" and inserting in lieu thereof "78"; and

On page 154, line 3, by deleting "and Section 53(25)"; and

On page 154, after line 15, by inserting:

"*(3)* On January 1, 1994, Section 70, Section 71, Section 72, Section 73, and Section 74 shall become effective.".

Floor Amendment No. 11 to the House Committee Substitute to **SB** 7, by Representative Riggs:

Amend printed copy of **SB** 7/HCS on page 141, line 9, by deleting "***two***" and inserting "***one***"; and

on line 10, by deleting "***($200)***" and inserting "***($100)***".

Floor Amendment No. 12 to the House Committee Substitute to **SB** 7, by Representatives Ackerson and Heleringer:

Amend printed copy of **SB** 7/HCS on page 20, line 23, after "***candidate***" by inserting: "***, or prior to the effective date of this Act***".

Floor Amendment No. 13 to the House Committee Substitute to **SB** 7, by Representative Northup:

Amend printed copy of **SB** 7/HCS on page 24, line 22, after "***member***" by inserting "***by filing a disclosure statement with the clerk or by a verbal announcement to the body***".

Floor Amendment No. 14 to the House Committee Substitute to **SB** 7, by Representative Heleringer:

Amend printed copy of **SB** 7/HCS on page 123, line 24, after "***account.***" by inserting the following: "***A member of the General Assembly may utilize funds in his campaign account to purchase admission tickets for political party functions, to purchase items with a value of not in excess of one hundred dollars ($100) for donation to a political party for auctions and fundraisers, and to participate in or support other events sponsored by a political party.***".

Floor Amendment No. 15 to the House Committee Substitute to **SB** 7, by Representative Riggs:

Amend printed copy of **SB 7/HCS** on page 123, line 2, by inserting "***prospective***" before "***voters,***" and by inserting the following after "***voters,***": "***polling and consulting,***".

Floor Amendment No. 16 to the House Committee Substitute to **SB** 7, by Representative Hatcher:

Amend printed copy of **SB 7/HCS** on page 102, by deleting lines 17 through 26 in their entirety; and

On page 103, by deleting lines 1 through 20 in their entirety; and

On page 148, by deleting lines 10 through 13 in their entirety, and renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "77"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "73"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "77" and by deleting "74" and inserting in lieu thereof "75"; and

On page 154, line 3, by deleting "and Section 53(25)".

Floor Amendment No. 17 to the House Committee Substitute to **SB** 7, by Representative Stumbo:

Amend printed copy of **SB 7/HCS** on page 122, line 23, after "***means***" by inserting "***any expenditures that might reasonably promote a candidate's election effort.***" and by deleting the remaining language on the line; and

On page 122, by deleting lines 24 through 26 in their entirety; and

On page 123, by deleting lines 1 through 20 in their entirety; and

On page 123, line 21, by deleting all language preceding "***The***"; and

On page 124, line 4, after "***after***" by inserting "***conducting a***".

Floor Amendment No. 18 to the House Committee Substitute to **SB** 7, by Representative Callahan:

Amend printed copy of **SB 7/HCS** on page 148, line 11, after "on" by deleting "the effective date of this Act" and by inserting in lieu thereof "January 1, 1994"; and

On page 153, line 26, after "76." by deleting all the language on that line and by inserting in lieu thereof "Section 52(4)(f), Section 53, Section 54, Section 55, Section 56, Section 57, and Section 58 of this Act shall become effective January 1, 1994."; and

On page 154, by deleting lines 1 through 15 in their entirety.

Floor Amendment No. 19 to the House Committee Substitute to **SB** 7, by Representative Butler:

Amend printed copy of **SB 7/HCS** on page 91, line 11, after "contributed" by inserting "***any amount***" and by inserting "[" before "in" and striking through "in excess of" and by deleting "***one***"; and

On page 91, line 12, by deleting the brackets around "~~three~~" and by striking through "hundred dollars" and by deleting "***($100)***" and by deleting "[" before "~~($300)~~"; and

On page 95, line 19, by inserting "[" before "No" and by striking through all language on that line after "["; and

On page 95, lines 20 through 26, by striking through all language on those lines; and

On page 96, by striking through all language on lines 1 through 9; and

On page 96, line 10, by striking through "(4)" and inserting "]" after "~~(4)~~"; and

On page 96, line 14, at the beginning of the line, by inserting "***(4)***" and by placing brackets around and striking through "(5)"; and

On page 96, line 20, at the beginning of the line, by inserting "***(5)***" and by placing brackets around and striking through "(6)"; and

On page 97 line 18, at the beginning of the line, by inserting "***(6)***" and by placing an opening bracket before and striking through "(7)", and by removing the opening bracket before "~~Except~~"; and

On page 97, line 24, at the beginning of the line, by inserting "***(5)***" and by placing brackets around and striking through "(6)"; and

On page 97, line 25, at the beginning of the line, by inserting "***(7)***" and by placing brackets around and striking through "(8)"; and

On page 98, line 1, after "subsection" by inserting "***(5)***" and by placing brackets around and striking through "(6)"; and

On page 98, line 3, at the beginning of the line, by inserting "***(8)***" and by placing brackets around and striking through "(9)"; and

On page 98, line 6, after "subsection" by inserting "***(5)***" and by placing brackets around and striking through "(6)"; and

On page 98, line 7, at the beginning of the line, by inserting "***(9)***" and by placing brackets around and striking through "(10)"; and

On page 98, line 13, at the beginning of the line, by inserting "***(10)***" and by placing brackets around and striking through "(11)"; and

On page 98, line 23, at the beginning of the line, by inserting "***(11)***" and by placing brackets around and striking through "(12)"; and

On page 99, line 7, at the beginning of the line, by inserting "***(12)***" and by placing brackets around and striking through "(13)"; and

On page 99, line 17, at the beginning of the line, by inserting "***(13)***" and by placing brackets around and striking through "(14)"; and

On page 99, line 25, at the beginning of the line, by inserting "***(14)***" and by placing brackets around and striking through "(15)"; and

On page 100, line 7, at the beginning of the line, by inserting "***(15)***" and by placing brackets around and striking through "(16)"; and

On page 100, line 15, at the beginning of the line, by inserting "***(16)***" and by placing brackets around and striking through "(17)"; and

On page 100, line 23, at the beginning of the line, by inserting "***(17)***" and by placing brackets around and striking through "(18)" and after "subsections" by inserting "***(13) to (16)***" and by placing brackets around and striking through "(14) to (17)"; and

On page 101, line 4, at the beginning of the line, by inserting "***(18)***" and by placing brackets around and striking through "(19)" and after "subsections" by inserting "***(13) and (15)***" and by placing brackets around and striking through "(14) and (16)"; and

On page 101, line 8, after "subsections" by inserting "***(14) and (16)***" and by placing brackets around and striking through "(15) and (17)"; and

On page 101, line 12, at the beginning of the line by inserting "***(19)***" and by placing brackets around and striking through "(20)"; and

On page 101, line 20, at the beginning of the line, by inserting "***(20)***" and by placing brackets around and striking through "(21)"; and

On page 101, line 25, at the beginning of the line, by inserting "***(21)***" and by placing brackets around and striking through "(22)"; and

On page 102, line 3, at the beginning of the line, by inserting "***(22)***" and by placing brackets around and striking through "(23)"; and

On page 102, line 8, at the beginning of the line, by inserting "***(23)***" and by placing brackets around and striking through "(24)"; and

On page 102, line 17, by deleting "***(25)***" and inserting in lieu thereof "***(24)***"; and

On page 105, line 1, after "occupation" by inserting "***for each contribution of any amount***" and by inserting "[" before "where" and by striking through "where the contribution"; and

On page 105, line 2, by striking through "exceeds" and by deleting "***one***" and by deleting the brackets around "~~three~~" and by striking through "hundred dollars" and by deleting "***($100)***" and by deleting "[" before "~~($300)~~"; and

On page 110, line 6, after "contributing" by inserting "***any amount***" and by inserting "[" before "in" and by striking through "in"; and

On page 110, line 7, by striking through "excess of" and by deleting "***one***" and by deleting the brackets around "~~three~~" and by striking through "hundred dollars" and by deleting "***($100)***" and by deleting "[" before "~~($300)~~"; and

On page 112, line 4, after "contributing" by inserting "***any amount***" and by inserting "[" before "in" and by striking through "in excess of" and by deleting "***one***"; and

On page 112, line 5, by deleting the brackets around "~~three~~" and by striking through "hundred dollars" and by deleting "***($100)***" and by deleting "[" before "~~($300)~~"; and

On page 115, line 6, after "contributing" by inserting "***any amount***" and by inserting "[" before "in" and by striking through "in"; and

On page 115, line 7, by striking through "excess of" and by deleting "***one***" and by deleting the brackets around "~~three~~" and by striking through "hundred dollars" and by deleting "***($100)***" and by deleting "[" before "~~($300)~~; and

On page 122, line 11, after "of" the second time it appears by inserting "***any amount***" and by inserting "[" before "more" and by striking through "more than" and by deleting "***one***" and by deleting the brackets around "~~three~~" and by striking through "hundred"; and

On page 122, line 12, by striking through "dollars" and by deleting "***($100)***" and by deleting "[" before "~~($300)~~; and

On page 125, line 15, after "deposit" by inserting "***of any amount***"; and

On page 125, line 16, by inserting "[" before "in" and by striking through "in excess of one"; and

On page 125, line 17, by striking through "hundred dollars ($100)" and by inserting "]" after "~~($100)~~"; and

On page 148, line 12, by deleting "(25)" and inserting in lieu thereof "(24)"; and

On page 153, line 22, by deleting "subsections (1) and (2)"; and

On page 153, line 23, by deleting "of"; and

On page 153, after "76." by deleting the remainder of the line and by inserting in lieu thereof: "On January 1, 1994, Section 52(4)(f), Section 53, Section 54, Section 55, Section 56, Section 57, and Section 58 of this Act shall become effective."; and

On page 154, by deleting lines 1 through 15 in their entirety.

Floor Amendment No. 20 to the House Committee Substitute to **SB** 7, by Representative Riner:

Amend printed copy of **SB 7/HCS** on page 91, lines 1 through 5, by deleting all underlined language; and

On page 91, line 7, by deleting "***other***"; and

On page 95, line 11, by placing brackets around and striking through "permanent committees,"; and

On page 96, line 23, after "person" by placing brackets around and striking through ", permanent committee,"; and

On page 97, line 3, by placing brackets around and striking through "permanent committee or"; and

On page 97, line 4, after "person" by placing brackets around and striking through ", permanent committee,"; and

On page 97, line 10, by placing brackets around and striking through "permanent committee or"; and

On page 97, line 19, by deleting "]" and by striking through "Permanent committees or" and by inserting "]" after "~~or~~" and capitalizing "contributing"; and

On page 97, line 22, after "(1)" by inserting "***contributing organization***" and by placing brackets around and striking through "committee"; and

On page 97, line 25, after "(8)" by inserting "***No federally-registered out-of-state political action committee shall contribute to a Kentucky candidate, except one seeking federal office, a committee, or a contributing organization. No Kentucky candidate, except one seeking federal office, committee, or contributing organization shall accept a contribution from a federally-registered out-of-state political action committee.***" and by inserting "[" before "No" and striking through the remaining language on that line; and

On page 97, by striking through all language on line 26; and

On page 98, by striking through all language on lines 1 and 2 and by inserting "]" after "~~:~~"; and

On page 98, line 3, by inserting "[" before "permanent" and by striking through "permanent"; and

On page 98, line 4, by striking through "committee," the first time it appears and by inserting "]" after "~~;~~" the first time it appears and by placing brackets around and striking through "," the second time it appears; and

On page 98, line 9, by placing brackets around and striking through "permanent committees and"; and

On page 101, line 25, after "(22)" by inserting "[" and by striking through the remaining language on the line; and

On page 101, line 26, by striking through all language on that line; and

On page 102, by striking through all language on lines 1 and 2; and

On page 102, line 3, by striking through "(23)" and by inserting "]" after "~~(23)~~"; and

On page 102, line 8, at the beginning of the line by inserting "***(23)***" and by placing brackets around and striking through "(24)"; and

On page 102, by deleting lines 17 through 26 in their entirety; and

On page 103, by deleting lines 1 through 20 in their entirety; and

On page 104, lines 18 through 22, by deleting all underlined language; and

On page 109, lines 22 through 26, by deleting all underlined language; and

On page 110, line 1, by deleting "***other***"; and

On page 111, lines 19 through 24, by deleting all underlined language; and

On page 111, line 25, by deleting “***other***”; and

On page 111, line 26, by deleting “***other***”; and

On page 114, line 17, by placing brackets around and striking through “~~(a)~~” and by placing brackets around and striking through “permanent committee,”; and

On page 114, line 18, by placing brackets around and striking through “,”; and

On page 114, lines 22 through 26, by deleting all underlined language; and

On page 115, line 1, by deleting “***and***” and “***other***”; and

On page 115, line 13, after “by” by inserting “***an***” and placing an opening bracket before “a” and striking through “a”; and

On page 115, line 14, by striking through “permanent committee,” and placing a closing bracket thereafter; and

On page 115, line 14, after “inaugural committee” by placing brackets around and striking through “,”; and

On page 115, line 25, by placing “[” before “;” and by striking through “;”; and

On page 115, line 26, by striking through “and”; and

On page 116, by striking through all language on lines 1 through 14; and

On page 116, line 15, by striking through “121A.020” and inserting “]” after “~~121A.020~~; and

On page 122, lines 2 through 6, by deleting all underlined language; and

On page 122, line 7, by deleting “***and***” and “***other***”; and

On page 125, lines 1 through 16, by deleting all underlined language; and

On page 126, line 10, by deleting “***(4)***” and removing the brackets and strikethroughs from “[~~(3)~~]”; and

On page 126, line 15, by deleting “***(5)***” and removing the brackets and strikethroughs from “[~~(4)~~]”; and

On page 148, after line 4, by inserting the following:

“Section 70. KRS 121.015 is amended to read as follows:

As used in this chapter:

(1) “Registry” means the Kentucky Registry of Election Finance;

(2) “Election” means any primary, runoff primary, regular, or special election to fill vacancies regardless of whether a candidate or slate of candidates is opposed or unopposed in an election. Each primary, runoff primary, regular, or special election shall be considered a separate election;

(3) “Committee” includes the following:

(a) “Campaign committee,” which means one (1) or more persons who receive contributions and make expenditures to support or oppose one (1) or more specific candidates or slates of candidates for nomination or election to any state, county, city, or district office;

(b) “Political issues committee,” which means three (3) or more persons joining together to advocate or oppose a constitutional amendment or public question which appears on the ballot if that committee receives or expends money in excess of one thousand dollars ($1,000);

(c) [~~“Permanent committee,” which means a group of individuals, including an association, committee or organization, other than a campaign committee, political issues committee, inaugural committee, or party executive committee, which is established as, or intended to be, a permanent organization having as a primary~~

~~purpose political activity which may include support of or opposition to selected candidates, slates of candidates, political parties, or issues of public importance, and which functions on a regular basis throughout the year;~~

~~(d)~~] An executive committee of a political party; and

(d) [~~(e)~~] "Inaugural committee," which means one (1) or more persons who receive contributions and make expenditures in support of inauguration activities for any candidate or slate of candidates elected to any state, county, city, or district office;

(4) "Contributing organization" means a group which merely contributes to candidates, campaign committees, or executive committees from time to time from funds derived solely from within the group, and which does not solicit or receive funds from sources outside the group itself. However, any contributions made by the groups in excess of one hundred dollars ($100) shall be reported to the registry;

(5) "Testimonial affair" means an affair held in honor of a person who holds or who is or was a candidate for nomination or election to a political office in this state designed to raise funds for any purpose not charitable, religious, or educational;

(6) "Contribution" means any:

(a) Payment, distribution, loan, deposit, or gift of money or other thing of value, to a candidate, his agent, a slate of candidates, its authorized agent, a committee, or contributing organization. As used in this subsection, "loan" shall include a guarantee, endorsement, or other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser, as well as with a committee, contributing organization, candidate, slate of candidates, or other primary obligor. No person shall become liable as surety, endorser, or guarantor for any sum in any one (1) election which, when combined with all other contributions the individual makes to a candidate, his agent, a slate of candidates, its agent, a committee, or a contributing organization, exceeds the contribution limits provided in KRS 121A.050 or KRS 121.150;

(b) Payment by any person other than the candidate, his authorized treasurer, a slate of candidates, its authorized treasurer, a committee, or a contributing organization, of compensation for the personal services of another person which are rendered to a candidate, slate of candidates, committee, or contributing organization, or for inauguration activities;

(c) Goods, advertising, or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are furnished to a candidate, slate of candidates, committee, or contributing organization or for inauguration activities without charge, or at a rate which is less than the rate normally charged for the goods or services;

(d) Payment by any person other than a candidate, his authorized treasurer, a slate of candidates, its authorized treasurer, a committee, or contributing organization for any goods or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are utilized by a candidate, slate of candidates, committee, or contributing organization, or for inauguration activities; or

(e) Expenditure in connection with any other activity undertaken independently of the activities of a candidate, slate of candidates, committee, or contributing organization made or furnished for the purpose of influencing the results of an election;

(7) Notwithstanding the foregoing meanings of "contribution," the word shall not be construed to include:

(a) Services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate, committee, or contributing organization; or

(b) A loan of money by any financial institution doing business in Kentucky made in accordance with applicable banking laws and regulations and in the ordinary course of business;

(8) "Candidate" means any person who has received contributions or made expenditures, has appointed a campaign treasurer, or has given his consent for any other person to receive contributions or make expenditures with a view to bringing about his nomination or election to public office, except federal office;

(9) "Slate of candidates" means any two (2) persons who have filed a joint notification and declaration pursuant to KRS 118.127, received contributions or made expenditures, appointed a campaign treasurer, designated a campaign depository, or given their consent for any other person to receive contributions or make expenditures with a view to bringing about their nomination for election to the offices of Governor and Lieutenant Governor. Unless the context requires otherwise, any provision of law that applies to a candidate shall also apply to a slate of candidates;

(10) "Knowingly" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists; and

(11) "Fundraiser" means an individual who directly solicits and secures contributions on behalf of a candidate or slate of candidates for public office.

Section 71. KRS 121.170 is amended to read as follows:

(1) Any committee organized under any provisions of this chapter shall register with the registry, by filing official notice of intention at the time of organization, giving names, addresses, and positions of the officers of the organization and designating the candidate or candidates, slate of candidates, or question it is organized to support or oppose on forms prescribed by the registry. The name of the committee shall reasonably identify to the public the sponsorship and purpose of the committee. The forms filed with the registry shall require the registrant to clearly identify the specific purpose, sponsorship, and source from which the committee originates; and the registry shall refuse to allow filing by any committee until this requirement has been satisfied.

(2) Any person who acts as a fundraiser by directly soliciting contributions for an election campaign of a candidate or slate of candidates for elected office shall register with the registry when he raises in excess of three thousand dollars ($3,000) in any one (1) election for the campaign committee by filing official notice giving his name, address, occupation, employer or, if he is self-employed, the name under which he is doing business, and all candidates or slates of candidates for whom he is soliciting on forms prescribed by the registry. A registered fundraiser shall comply with the campaign finance reporting requirements of KRS 121.180(3), (4), and (5) and KRS 121A.010(5).

(3) All provisions of KRS 121.160 and 121A.070 governing the duties and responsibilities of a candidate, slate of candidates, or campaign treasurer shall apply to a registered committee[~~, except a federally registered out-of-state permanent committee,~~] and a person acting as a campaign fundraiser.

(4) The chairman of a committee and the campaign treasurer shall be separate persons.

[~~(5) A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry at the time it files its registration papers. A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry no later than the last day of the first calendar quarter following the year in which it registers with the registry and each succeeding year thereafter until the permanent committee terminates. The amount of administrative fees received by the registry from permanent committees shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.~~

~~(6) Any federally registered out-of-state permanent committee that contributes to a Kentucky candidate shall:~~

~~(a) File with the registry a copy of its federal registration (Federal Election Commission Form 1 - Committee Registration Form);~~

~~(b) File with the registry a copy of the Federal Election Commission finance report when a contribution is made to a Kentucky candidate; and~~

~~(c) Contribute not more than the maximum amount permitted for a permanent committee to make under Kentucky law to any candidate for any office in this Commonwealth.~~

~~(7) Notwithstanding any provision of law to the contrary, a contribution made by a federally registered permanent committee to any candidate for any office in this Commonwealth that complies with the provisions of 2 U.S.C. 441b, 11 C.F.R. 104.10, 11 C.F.R. 106.6, and 11 C.F.R. 114.1-114.12 regarding limitations on contributions by corporations shall be deemed to comply with the campaign finance laws of this Commonwealth prohibiting corporate contributions to candidates.~~]

Section 72. KRS 121A.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Registry" means the Kentucky Registry of Election Finance;

(2) "Fund" means the election campaign fund;

(3) "Transfer" means a transfer from the fund to a qualifying slate of candidates;

(4) "Qualifying contribution" means a contribution made to a slate of candidates for Governor and Lieutenant Governor by a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization that is authorized to contribute to candidates that is paid by personal check, cashier's check, or money order. A qualifying contribution shall not include a cash contribution, loan, pledge, nonmonetary contribution, or contribution by a slate of candidates in excess of the contribution limits of KRS 121A.050;

(5) "Qualifying slate of candidates" means any slate of candidates of a political party or any independent nominees for Governor and Lieutenant Governor whose names are qualified to appear jointly on a primary or runoff primary election ballot, or candidates who have filed a notification and declaration pursuant to KRS 118.127 who are authorized by this chapter to receive contributions and make expenditures jointly for the regular election, and one (1) that has otherwise qualified under this chapter to receive a transfer from the election campaign fund, including having raised the minimum threshold qualifying amount. "Qualifying slate of candidates," when applied to a runoff primary, means a slate of candidates for Governor and Lieutenant Governor that has been certified by the Secretary of State as one that has received the highest or next highest number of votes for its party's nomination in a primary that filed a statement of intent to accept a transfer from the fund and abide by the expenditure limit for the primary which was not rescinded in a timely manner;

(6) "Slate of candidates" means any two (2) persons who have filed a joint notification and declaration pursuant to KRS 118.127, received contributions or made expenditures, appointed a campaign treasurer, designated a campaign depository, or given their consent for any other individual to receive contributions or make expenditures, with a view to bringing about their nomination for election to the offices of Governor and Lieutenant Governor. Unless the context requires otherwise, any provision of law that applies to a candidate shall also apply to a slate of candidates;

(7) "Candidate campaign account" means the bank account required by KRS 121.160 to be established, which for a slate of candidates for Governor and Lieutenant Governor shall be in a financial institution authorized to do business in Kentucky which is insured by the Federal Deposit Insurance Corporation and shall be for the sole purpose of receiving transfers from the fund and contributions or other moneys raised from personal resources;

(8) "Campaign expenditures" means lawful expenditures from a candidate campaign account on behalf of a slate of candidates to further its nomination or election to the offices of Governor and Lieutenant Governor authorized by the campaign committee treasurer or other authorized individual;

(9) "Committee" includes the following:

(a) "Campaign committee" which means one (1) or more persons who receive contributions and make expenditures to support or oppose one (1) or more specific slate of candidates for nomination or election to the offices of Governor and Lieutenant Governor;

(b) "Political issues committee," which means three (3) or more persons joining together to advocate or oppose a constitutional amendment or public question which will appear on the ballot if that committee receives or expends money in excess of one thousand dollars ($1,000); ***and***

(c) [~~"Permanent committee," which means a group of individuals, including an association, committee, or organization, other than a campaign committee or party executive committee, which is established as, or intended to be, a permanent organization having as a primary purpose political activity which may include support of or opposition to selected candidates, political parties, or issues of public importance, and which functions on a regular basis throughout the year; and~~

~~(d)~~] An executive committee of a political party;

(10) "Contributing organization" means a group which merely contributes to candidates, campaign committees, or executive committees from time to time from funds derived solely from within the group, and which does not solicit or receive funds from sources outside the group itself. However, any contribution made by a contributing organization in excess of one hundred dollars ($100) shall be reported to the registry;

(11) (a) "Contribution" means any:

1. Payment, distribution, loan, deposit, or gift of money or other thing of value, to a slate of candidates, its agent, a committee, or contributing organization. As used in this subsection, "loan" shall include a guarantee, endorsement, or other form of security where the risk of nonpayment rests with the surety, guarantor, or

endorser, as well as with a committee, contributing organization, slate of candidates, or other primary obligor. No individual shall become liable as surety, endorser, or guarantor for any sum which, when combined with all other contributions the individual makes to the slate of candidates, its agent, the committee, or the contributing organization, exceeds the contribution limits provided in KRS 121.150;

2. Payment by any individual other than the slate of candidates, its authorized treasurer, a committee, or contributing organization of compensation for the personal services of another individual which are rendered to a slate of candidates, committee, or contributing organization;

3. Goods, advertising, or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are furnished to a slate of candidates, committee, or contributing organization without charge, or at a rate which is less than the rate normally charged for such goods or services;

4. Payment by any individual other than the slate of candidates, its authorized treasurer, a committee, or contributing organization for any goods or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are utilized by a slate of candidates, committee, or contributing organization;

5. Expenditure in connection with any other activity undertaken independently of activities of a slate of candidates, of a committee, or of a contributing organization made or furnished for the purpose of influencing the results of an election.

(b) Notwithstanding the foregoing meanings of "contribution," it shall not be construed to include:

1. Services provided without compensation by individuals volunteering a portion or all of their time on behalf of a slate of candidates, committee, or contributing organization;

2. Expenditures by an individual other than a candidate in connection with an event held in the individual's home when the individual expends less than three hundred dollars ($300); or

3. A loan of money by any financial institution doing business in Kentucky made in accordance with applicable banking laws and regulations and in the ordinary course of business; and

(12) "Knowingly" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Section 73. KRS 121A.030 is amended to read as follows:

(1) A qualifying slate of candidates for Governor and Lieutenant Governor that receives transfers from the fund may make campaign expenditures which, in the aggregate, including the expenditure of transfers from the fund, shall not exceed one million eight hundred thousand dollars ($1,800,000) in connection with a primary election campaign and one million eight hundred thousand dollars ($1,800,000) in connection with a regular election campaign, subject to the provisions of KRS 121A.080(4) and (5), and three hundred thousand dollars ($300,000) in connection with a runoff primary campaign.

(2) The expenditure limit amounts established in subsection (1) of this section shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment in a year in which a Governor and Lieutenant Governor are elected not later than the filing deadline for the primary election.

(3) No qualifying slate of candidates for Governor and Lieutenant Governor that receives a transfer from the fund or that is otherwise subject to expenditure limitations shall exceed the expenditure limitations of subsection (1) of this section through an additional reported or unreported expenditure by any person, committee, or contributing organization which does not qualify as an "independent expenditure" as defined in KRS 121.150(1).

(4) [~~A slate of candidates for Governor and Lieutenant Governor that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit that was not rescinded pursuant to KRS 121A.040(4) may receive contributions from permanent committees which, in the aggregate, shall not exceed twenty-five percent (25%) of the qualifying contributions received by the slate of candidates in any one (1) election. A slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund pursuant to KRS 121A.040(4) may receive contributions from permanent committees which, in the aggregate, shall not exceed twenty-five percent (25%) of the qualifying contributions~~

~~received by the slate of candidates in any one (1) election up to a maximum of one hundred fifty thousand dollars ($150,000) in any one (1) election.~~

~~(5)~~] No slate of candidates for Governor and Lieutenant Governor shall knowingly accept any other campaign contribution during the thirty (30) days immediately preceding a primary or regular election and during the fourteen (14) days immediately preceding a runoff primary except:

(a) A qualifying slate of candidates that has elected to become eligible for fund transfers or who may in the future elect to become eligible for fund transfers shall be released from expenditure limitations following a certification by the registry pursuant to KRS 121A.080(4) or (5) that a slate of candidates that has not elected to become eligible for fund transfers has received contributions or made expenditures in excess of the expenditure limits provided in subsection (1) of this section; or

(b) The matching ratio of fund transfers established in KRS 121A.060(2)(c) has been reduced by the registry pursuant to KRS 121A.080(3). If the registry reduces the matching ratio of fund transfers, a qualifying slate of candidates that has elected to become eligible for fund transfers or that may in the future elect to become eligible for fund transfers, may accept aggregate qualifying contributions which, when added to the maximum threshold qualifying amount established in KRS 121A.060(2)(c) and the amount equal to the reduced matching ratio of fund transfers shall not exceed the expenditure limit established in subsection (1) of this section, unless a qualifying slate of candidates has been released from expenditure limitations pursuant to KRS 121A.080(4) or (5).

Section 74. KRS 121A.050 is amended to read as follows:

(1) A slate of candidates that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit which was not rescinded pursuant to KRS 121A.040(4) shall not knowingly accept a contribution from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization of more than five hundred dollars ($500) in any one (1) election. Except for independent expenditures, as defined in KRS 121.150(1), no natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a contribution of more than five hundred dollars ($500) in any one (1) election to a slate of candidates that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit which was not rescinded.

(2) A slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund pursuant to KRS 121A.040(4) shall not knowingly accept a contribution of more than one hundred dollars ($100) in any one (1) election from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization. A slate of candidates that has accepted a contribution in excess of one hundred dollars ($100) that later rejects expenditure limitations or rescinds its acceptance of expenditure limitations shall refund to the contributor the amount of a contribution in excess of one hundred dollars ($100). Except for independent expenditures, as defined in KRS 121.150(1), no natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a contribution of more than one hundred dollars ($100) in any one (1) election to a slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund.

(3) No slate of candidates shall knowingly accept any cash contribution from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization. No natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a cash contribution to a slate of candidates."; and

On page 148, line 5, by deleting "70" and inserting in lieu thereof "75"; and

On page 148, by deleting lines 10 through 13 in their entirety; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "80"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "76"; and

On page 153, line 22, by deleting "(1) and (2)" and inserting in lieu thereof "(1), (2), and (3)"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "80" and by deleting "74" and inserting in lieu thereof "78"; and

On page 154, line 3, by deleting "and Section 53(25)"; and

On page 154, after line 15, by inserting:

"*(3)* On January 1, 1994, Section 70, Section 71, Section 72, Section 73, and Section 74 shall become effective.".

Floor Amendment No. 21 to the House Committee Substitute to **SB 7**, by Representative Riner:

Amend printed copy of **SB 7/HCS** on page 148, between lines 4 and 5, insert the following:

"Section 70. KRS 61.810 is amended to read as follows:

(1) All meetings of a quorum of the members of any public agency at which any public business is discussed or at which any action is taken by the agency, shall be public meetings, open to the public at all times, except for the following:

(a) Deliberations for decisions of the Kentucky Parole Board;

(b) Deliberations on the future acquisition or sale of real property by a public agency, but only when publicity would be likely to affect the value of a specific piece of property to be acquired for public use or sold by a public agency;

(c) Discussions of proposed or pending litigation against or on behalf of the public agency;

(d) Grand and petit jury sessions;

(e) Collective bargaining negotiations between public employers and their employees or their representatives;

(f) Discussions or hearings which might lead to the appointment, discipline, or dismissal of an individual employee, member, or student without restricting that employee's, member's, or student's right to a public hearing if requested. This exception shall not be interpreted to permit discussion of general personnel matters in secret;

(g) Discussions between a public agency and a representative of a business entity and discussions concerning a specific proposal, if open discussions would jeopardize the siting, retention, expansion, or upgrading of the business;

(h) State and local cabinet meetings and executive cabinet meetings;

[~~(i) Committees of the General Assembly other than standing committees;~~]

(i)[~~(j)~~] Deliberations of judicial or quasi-judicial bodies regarding individual adjudications or appointments, at which neither the person involved, his representatives, nor any other individual not a member of the agency's governing body or staff is present, but not including any meetings of planning commissions, zoning commissions, or boards of adjustment;

(j)[~~(k)~~] Meetings which federal or state law specifically require to be conducted in privacy; and

(k)[~~(l)~~] Meetings which the Constitution provides shall be held in secret.

(2) Any series of less than quorum meetings, where the members attending one (1) or more of the meetings collectively constitute at least a quorum of the members of the public agency and where the meetings are held for the purpose of avoiding the requirements of subsection (1) of this section, shall be subject to the requirements of subsection (1) of this section. Nothing in this subsection shall be construed to prohibit discussions between individual members where the purpose of the discussions is to educate the members on specific issues.

Section 71. KRS 61.815 is amended to read as follows:

(1) Except as provided in subsection (2) of this section, the following requirements shall be met as a condition for conducting closed sessions authorized by KRS 61.810:

(a) Notice shall be given in regular open meeting of the general nature of the business to be discussed in closed session, the reason for the closed session, and the specific provision of KRS 61.810 authorizing the closed session;

(b) Closed sessions may be held only after a motion is made and carried by a majority vote in open, public session;

(c) No final action may be taken at a closed session; and

(d) No matters may be discussed at a closed session other than those publicly announced prior to convening the closed session.

(2) Public agencies and activities of public agencies identified in paragraphs (a), (c), (d), (e), (f), but only so far as (f) relates to students, (g), (h), (i), (j), ***and*** (k)[~~, and (l)~~] of subsection (1) of KRS 61.810 shall be excluded from the requirements of subsection (1) of this section."; and

Renumber subsequent sections accordingly; and

On page 151, line 12, delete "76" and insert in lieu thereof "78"; and

On page 152, line 17, delete "72" and insert in lieu thereof "74"; and

On page 153, line 23, delete "76" and insert in lieu thereof "78" and delete "74" and insert in lieu thereof "76".

Floor Amendment No. 22 to the House Committee Substitute to **SB 7**, by Representative Lear:

Amend printed copy of **SB 7/HCS** on page 38, line 7, by inserting after "***which***" the following "***he vacated his office***" and by deleting "***the term of office of the***"; and

On page 38, by deleting line 8 in its entirety; and

On page 38, line 9, by deleting "***earlier***"; and

On page 138, line 11, by inserting "***Sections 1 to 37 of***" before the word "***this***"; and

On page 152, line 9, by inserting a colon after the word "date" and by inserting an indented (a) after that colon; and

On page 152, line 14, by deleting the period and inserting a semicolon in lieu thereof, and by inserting an indented (b) after that semicolon; and

On page 152, line 16, by deleting the period and inserting "; or" in lieu thereof, and by inserting an indented (c) after the word "or" thus inserted.

Floor Amendment No. 23 to the House Committee Substitute to **SB 7**, by Representative Long:

Amend printed copy of **SB 7/HCS** on page 138, line 17 through page 148, line 4, by deleting Section 69 in its entirety and renumbering subsequent sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "75"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "71"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "75" and by deleting "69" and inserting in lieu thereof "68", and deleting "74" and inserting in lieu thereof "73".

Floor Amendment No. 24 to the House Committee Substitute to **SB 7**, by Representative Riggs:

Amend printed copy of **SB 7/HCS** on page 138, after line 16, by adding the following new language:

"Section 69. KRS 141.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Secretary" means the secretary of revenue;

(2) "Cabinet" means the Revenue Cabinet;

(3) "Internal Revenue Code" means the Internal Revenue Code in effect on December 31, 1991, exclusive of any amendments made subsequent to that date, other than amendments that extend provisions in effect on December 31, 1991, that would otherwise terminate, and as modified by KRS 141.0101;

(4) "Dependent" means those persons defined as dependents in the Internal Revenue Code;

(5) "Fiduciary" means "fiduciary" as defined in Section 7701(a)(6) of the Internal Revenue Code;

(6) "Fiscal year" means "fiscal year" as defined in Section 7701(a)(24) of the Internal Revenue Code;

(7) "Individual" means a natural person;

(8) For taxable years beginning on or after January 1, 1974, "federal income tax" means the amount of federal income tax actually paid or accrued for the taxable year on taxable income as defined in Section 63 of the Internal Revenue Code, and taxed under the provisions of this chapter, minus any federal tax credits actually utilized by the taxpayer;

(9) "Gross income" in the case of taxpayers other than corporations means "gross income" as defined in Section 61 of the Internal Revenue Code;

(10) "Adjusted gross income" in the case of taxpayers other than corporations means gross income as defined in subsection (9) of this section minus the deductions allowed individuals by Section 62 of the Internal Revenue Code and as modified by KRS 141.0101 and adjusted as follows, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter, and except that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States and Kentucky;

(b) Exclude income from supplemental annuities provided by the Railroad Retirement Act of 1937 as amended and which are subject to federal income tax by Public Law 89-699;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude employee pension contributions picked up as provided for in KRS 6.505, 16.545, 21.360, 61.560, 65.155, 67A.320, 67A.510, 78.610, and 161.540 upon a ruling by the Internal Revenue Service or the federal courts that these contributions shall not be included as gross income until such time as the contributions are distributed or made available to the employee;

(e) Exclude Social Security and railroad retirement benefits subject to federal income tax;

(f) Include, for taxable years ending before January 1, 1991, all overpayments of federal income tax refunded or credited for taxable years;

(g) Deduct, for taxable years ending before January 1, 1991, federal income tax paid for taxable years ending before January 1, 1990; [~~and~~]

(h) Exclude any money received because of a settlement or judgment in a lawsuit brought against a manufacturer or distributor of "Agent Orange" for damages resulting from exposure to Agent Orange by a member or veteran of the armed forces of the United States or any dependent of such person who served in Vietnam; ***and***

(i) Deduct for tax years beginning on or after January 1, 1993, an amount not to exceed one hundred dollars ($100) for local and state-level political campaign contributions.

(11) "Net income" in the case of taxpayers other than corporations means adjusted gross income as defined in subsection (10) of this section, minus the standard deduction allowed by KRS 141.081, or, at the option of the taxpayer, minus the deduction allowed by KRS 141.0202 and minus all the deductions allowed individuals by Chapter 1 of the Internal Revenue Code as modified by KRS 141.0101 except those listed below, except that deductions shall be limited to amounts allocable to income subject to taxation under the provisions of this chapter and that nothing in this chapter shall be construed to permit the same item to be deducted more than once:

(a) Any deduction allowed by the Internal Revenue Code for state taxes measured by gross or net income, except that such taxes paid to foreign countries may be deducted;

(b) Any deduction allowed by the Internal Revenue Code for amounts allowable under KRS 140.090(1)(h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been claimed under KRS 140.090(1)(h);

(c) The deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof; and

(d) Any deduction for amounts paid to any club, organization, or establishment which has been determined by the courts or an agency established by the General Assembly and charged with enforcing the civil rights laws of the Commonwealth, not to afford full and equal membership and full and equal enjoyment of its goods, services, facilities, privileges, advantages or accommodations to any person because of race, color, religion, national origin, or sex, except nothing shall be construed to deny a deduction for amounts paid to any religious or denominational club, group, or establishment or any organization operated solely for charitable or educational purposes which restricts membership to persons of the same religion or denomination in order to promote the religious principles for which it is established and maintained;

(12) "Gross income," in the case of corporations, means "gross income" as defined in Section 61 of the Internal Revenue Code and as modified by KRS 141.0101 and adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Kentucky Constitution and the Constitution and statutory laws of the United States;

(b) Exclude all dividend income received after December 31, 1969;

(c) Include interest income derived from obligations of sister states and political subdivisions thereof;

(d) Exclude fifty percent (50%) of gross income derived from any disposal of coal covered by Section 631(c) of the Internal Revenue Code if the corporation does not claim any deduction for percentage depletion, or for expenditures attributable to the making and administering of the contract under which such disposition occurs or to the preservation of the economic interests retained under such contract;

(e) Include in the gross income of lessors income tax payments made by lessees to lessors, under the provisions of Section 110 of the Internal Revenue Code, and exclude such payments from the gross income of lessees;

(f) Include the amount calculated under KRS 141.205;

(g) Ignore the provisions of Section 281 of the Internal Revenue Code in computing gross income; and

(h) Exclude income from "safe harbor leases" (Section 168(f)(8) of the Internal Revenue Code);

(13) "Net income," in the case of corporations, means "gross income" as defined in subsection (12) of this section minus the deduction allowed by KRS 141.0202 and minus all the deductions from gross income allowed corporations by Chapter 1 of the Internal Revenue Code and as modified by KRS 141.0101, except the following:

(a) Any deduction for a state tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or to any foreign country or political subdivision thereof;

(b) The deductions contained in Sections 243, 244, 245, and 247 of the Internal Revenue Code;

(c) The provisions of Section 281 of the Internal Revenue Code shall be ignored in computing net income;

(d) Any deduction directly or indirectly allocable to income which is either exempt from taxation or otherwise not taxed under the provisions of this chapter, and nothing in this chapter shall be construed to permit the same item to be deducted more than once;

(e) Exclude expenses related to "safe harbor leases" (Section 168(f)(8) of the Internal Revenue Code); and

(f) Any deduction for amounts paid to any club, organization, or establishment which has been determined by the courts or an agency established by the General Assembly and charged with enforcing the civil rights laws of the Commonwealth, not to afford full and equal membership and full and equal enjoyment of its goods, services, facilities, privileges, advantages, or accommodations to any person because of race, color, religion, national origin, or sex, except nothing shall be construed to deny a deduction for amounts paid to any religious or denominational club, group, or establishment or any organization operated solely for charitable or educational purposes which restricts membership to persons of the same religion or denomination in order to promote the religious principles for which it is established and maintained;

(14) (a) "Taxable net income," in the case of corporations having property or payroll only in this state, means "net income" as defined in subsection (13) of this section;

(b) "Taxable net income," in the case of corporations having property or payroll both within and without this state means "net income" as defined in subsection (13) of this section and as allocated and apportioned under KRS 141.120;

(c) "Property" means either real property or tangible personal property which is either owned or leased. "Payroll" means compensation paid to one (1) or more individuals, as described in KRS 141.120(8)(b). Property and payroll are deemed to be entirely within this state if all other states are prohibited by Public Law 86-272, as it existed on December 31, 1975, from enforcing income tax jurisdiction; and

(d) "Taxable net income" in the case of homeowners' associations as defined in Section 528(c) of the Internal Revenue Code, means "taxable income" as defined in Section 528(d) of the Internal Revenue Code. Notwithstanding the provisions of subsection (3) of this section, the Internal Revenue Code sections referred to in this paragraph shall be those code sections in effect for the applicable tax year;

(15) "Person" means "person" as defined in Section 7701(a)(1) of the Internal Revenue Code;

(16) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed, and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations prescribed by the secretary, "taxable year" means the period for which such return is made;

(17) "Resident" means an individual domiciled within this state or an individual who is not domiciled in this state, but maintains a place of abode in this state and spends in the aggregate more than one hundred eighty-three (183) days of the taxable year in this state;

(18) "Nonresident" means any individual not a resident of this state;

(19) "Employer" means "employer" as defined in Section 3401(d) of the Internal Revenue Code;

(20) "Employee" means "employee" as defined in Section 3401(c) of the Internal Revenue Code;

(21) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(22) "Wages" means "wages" as defined in Section 3401(a) of the Internal Revenue Code and includes other income subject to withholding as provided in Section 3401(f) and Section 3402(k), (o), (p), (q), and (s) of the Internal Revenue Code;

(23) "Payroll period" means "payroll period" as defined in Section 3401(b) of the Internal Revenue Code;

(24) "Corporations" means "corporations" as defined in Section 7701(a)(3) of the Internal Revenue Code;

(25) "S corporations" means "S corporations" as defined in Section 1361(a) of the Internal Revenue Code. Stockholders of a corporation qualifying as an "S corporation" under this chapter may elect to treat such qualification as an initial qualification under Subchapter S of the Internal Revenue Code Sections." and renumber the subsequent sections; and

On page 151, line 12, to make the existing phrase "Section 76" reflect the number of the analogous section after the reinsertion of Section 69 by this amendment; and

On page 152, line 17, to make the existing phrase "Section 72" reflect the number of the analogous section after the reinsertion of Section 69 by this amendment; and

On page 153, line 23, to make the existing phrases "Section 76", "Sections 1 to 69", and "Section 74" reflect the number of the analogous section after the reinsertion of Section 69 by this amendment.

Floor Amendment No. 25 to the House Committee Substitute to **SB** 7, by Representative Heleringer:

Amend printed copy of **SB** 7/**HCS** on page 38, by inserting the following between lines 21 and 22:

(11) No lobbyist, and no business, firm, or partnership in which a lobbyist owns or controls an interest, shall knowingly undertake, execute, hold or enjoy, in whole or in part, any contract made or awarded by a state agency. A contract made in violation of this subsection shall be void. A violation of this subsection is a Class D felony.

And, on page 38, line 22, by changing "***(11)***" to "***(12)***".

Floor Amendment No. 26 to the House Committee Substitute to **SB** 7, by Representative Reinhardt:

Amend printed copy of **SB** 7/**HCS** on page 49, between lines 19 and 20, insert the following:

"***(9) Upon written request by a member of the Kentucky General Assembly, the commission shall provide to the member current information on all moneys having been spent by a lobbyist's principal on the member's behalf.***"; and

on page 49, line 20, delete "***(9)***" and insert in lieu thereof "***(10)***"; and

on page 49, line 24, delete "***(10)***" and insert in lieu thereof "***(11)***"; and

on page 50, line 1, delete "***(11)***" and insert in lieu thereof "***(12)***"; and

on page 50, line 9, delete "***(12)***" and insert in lieu thereof "***(13)***"; and

on page 50, line 20, delete "***(13)***" and insert in lieu thereof "***(14)***"; and

on page 51, line 1, delete "***(14)***" and insert in lieu thereof "***(15)***"; and

on page 51, line 5, delete "***(15)***" and insert in lieu thereof "***(16)***"; and

on page 51, line 12, delete "***(16)***" and insert in lieu thereof "***(17)***"; and

on page 51, line 17, delete "***(17)***" and insert in lieu thereof "***(18)***".

Floor Amendment No. 27 to the House Committee Substitute to **SB** 7, by Representative Lindsay:

Amend printed copy of **SB** 7/**HCS** on page 138, line 17 through page 148, line 4, to delete the same; and

On page 145, line 5, to delete "70."; and to insert "69."; and

On page 148, line 10, to delete "71."; and to insert "70."; and

On page 148, line 14, to delete "72."; and to insert "71."; and

On page 148, line 17, to delete "73."; and to insert "72."; and

On page 149, line 14, to delete "74."; and to insert "73."; and

On page 151, line 2, to delete "75."; and to insert "74."; and

On page 151, line 12, to delete "76."; and to insert "75."; and

On page 152, line 17, to delete "72."; and to insert "71."; and

On page 153, line 23, to delete "76."; and to insert "75."; and

On page 153, line 23, to delete "74."; and to insert "73."; and

On page 153, line 26, to delete "76."; and to insert "75."; and

On page 154, line 16, to delete "77."; and to insert "76.".

Floor Amendment No. 28 to the House Committee Substitute to **SB 7**, by Representative Lindsay:

Amend printed copy of **SB 7/HCS** on page 87, line 7, delete the brackets and strikethroughs of "(1)"; and

On page 87, lines 13 through 21 to delete the brackets and strikethroughs through the entirety of subsection (2).

Floor Amendment No. 29 to the House Committee Substitute to **SB 7**, by Representative Lindsay:

Amend printed copy of **SB 7/HCS** on page 23, line 26, by adding the word "***or***" after the semicolon; and

On page 24, line 8, by deleting the words "***; or***" and by inserting in lieu thereof a "."; and

On page 24, by deleting lines 9 and 14 in their entirety.

Floor Amendment No. 30 to the House Committee Substitute to **SB 7**, by Representative Lindsay:

Amend printed copy of **SB 7/HCS** on page 21, line 12, by deleting the second "***a***"; and

On page 21, by deleting lines 13 and 14 in their entirety and inserting in lieu thereof "***ethical misconduct;***".

Floor Amendment No. 31 to the House Committee Substitute to **SB 7**, by Representative Lindsay:

Amend printed copy of **SB 7/HCS** on page 21, line 12, by deleting the second "***a***"; and

On page 21, by deleting lines 13 and 14 in their entirety and inserting in lieu thereof "***ethical misconduct;***"; and

On page 23, line 13, by deleting "***a Class D felony***" and inserting in lieu thereof "***ethical misconduct***".

Floor Amendment No. 32 to the House Committee Substitute to **SB 7**, by Representative Lindsay:

Amend printed copy of **SB 7/HCS** on page 9, line 5, following the word "***means***" to insert "***the unemancipated minor***"; and

On page 10, line 6, following "***spouse,***" to add "***or unemancipated minor***" and following the word "***child***" to delete the "," and insert in lieu thereof ";"; and

On page 10, lines 7 through 11, to delete the same.

Floor Amendment No. 33 to the House Committee Substitute to **SB 7**, by Representative Lindsay:

Amend printed copy of **SB 7/HCS** on page 1, by deleting lines 1 through 20 in their entirety; and

By deleting pages 2 through 154 in their entirety; and

By inserting in lieu thereof:

"Section 1. KRS 121.015 is amended to read as follows:

As used in this chapter:

(1) "Registry" means the Kentucky Registry of Election Finance;

(2) "Election" means any primary, runoff primary, regular, or special election to fill vacancies regardless of whether a candidate or slate of candidates is opposed or unopposed in an election. Each primary, runoff primary, regular, or special election shall be considered a separate election;

(3) "Committee" includes the following:

(a) "Campaign committee," which means one (1) or more persons who receive contributions and make expenditures to support or oppose one (1) or more specific candidates or slates of candidates for nomination or election to any state, county, city, or district office;

(b) "Political issues committee," which means three (3) or more persons joining together to advocate or oppose a constitutional amendment or public question which appears on the ballot if that committee receives or expends money in excess of one thousand dollars ($1,000);

(c) [~~"Permanent committee," which means a group of individuals, including an association, committee or organization, other than a campaign committee, political issues committee, inaugural committee, or party executive committee, which is established as, or intended to be, a permanent organization having as a primary purpose political activity which may include support of or opposition to selected candidates, slates of candidates, political parties, or issues of public importance, and which functions on a regular basis throughout the year;~~

~~(d)~~] An executive committee of a political party; and

(d)[~~(e)~~] "Inaugural committee," which means one (1) or more persons who receive contributions and make expenditures in support of inauguration activities for any candidate or slate of candidates elected to any state, county, city, or district office;

(4) "Contributing organization" means a group which merely contributes to candidates, campaign committees, or executive committees from time to time from funds derived solely from within the group, and which does not solicit or receive funds from sources outside the group itself. However, any contributions made by the groups in excess of one hundred dollars ($100) shall be reported to the registry;

(5) "Testimonial affair" means an affair held in honor of a person who holds or who is or was a candidate for nomination or election to a political office in this state designed to raise funds for any purpose not charitable, religious, or educational;

(6) "Contribution" means any:

(a) Payment, distribution, loan, deposit, or gift of money or other thing of value, to a candidate, his agent, a slate of candidates, its authorized agent, a committee, or contributing organization. As used in this subsection, "loan" shall include a guarantee, endorsement, or other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser, as well as with a committee, contributing organization, candidate, slate of candidates, or other primary obligor. No person shall become liable as surety, endorser, or guarantor for any sum in any one (1) election which, when combined with all other contributions the individual makes to a candidate, his agent, a slate of candidates, its agent, a committee, or a contributing organization, exceeds the contribution limits provided in KRS 121A.050 or KRS 121.150;

(b) Payment by any person other than the candidate, his authorized treasurer, a slate of candidates, its authorized treasurer, a committee, or a contributing organization, of compensation for the personal services of another person which are rendered to a candidate, slate of candidates, committee, or contributing organization, or for inauguration activities;

(c) Goods, advertising, or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are furnished to a candidate, slate of candidates, committee, or contributing organization or for inauguration activities without charge, or at a rate which is less than the rate normally charged for the goods or services;

(d) Payment by any person other than a candidate, his authorized treasurer, a slate of candidates, its authorized treasurer, a committee, or contributing organization for any goods or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are utilized by a candidate, slate of candidates, committee, or contributing organization, or for inauguration activities; or

(e) Expenditure in connection with any other activity undertaken independently of the activities of a candidate, slate of candidates, committee, or contributing organization made or furnished for the purpose of influencing the results of an election;

(7) Notwithstanding the foregoing meanings of "contribution," the word shall not be construed to include:

(a) Services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate, committee, or contributing organization; or

(b) A loan of money by any financial institution doing business in Kentucky made in accordance with applicable banking laws and regulations and in the ordinary course of business;

(8) "Candidate" means any person who has received contributions or made expenditures, has appointed a campaign treasurer, or has given his consent for any other person to receive contributions or make expenditures with a view to bringing about his nomination or election to public office, except federal office;

(9) "Slate of candidates" means any two (2) persons who have filed a joint notification and declaration pursuant to KRS 118.127, received contributions or made expenditures, appointed a campaign treasurer, designated a campaign depository, or given their consent for any other person to receive contributions or make expenditures with a view to bringing about their nomination for election to the offices of Governor and Lieutenant Governor. Unless the context requires otherwise, any provision of law that applies to a candidate shall also apply to a slate of candidates;

(10) "Knowingly" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists; and

(11) "Fundraiser" means an individual who directly solicits and secures contributions on behalf of a candidate or slate of candidates for public office.

Section 2. KRS 121.150 is amended to read as follows:

(1) No contribution of money or other thing of value, nor obligation therefor, shall be made or received, and no expenditure of money or other thing of value shall be made or incurred, directly or indirectly, other than an "independent expenditure," to support inauguration activities or to support or defeat a candidate, slate of candidates, constitutional amendment, or public question which will appear on the ballot in an election, except through the duly appointed campaign manager, or campaign treasurer of the candidate, slate of candidates, or registered committee. As used in this section, "independent expenditure" means one made for a communication which expressly advocates the election or defeat of a clearly identified candidate or slate of candidates, or the passage or defeat of a constitutional amendment or public question which will appear on the ballot and which is not made with any direct or indirect cooperation, consent, request, suggestion, or consultation involving a candidate, slate of candidates, campaign committee, political issues committee, or agent. Any person making an "independent expenditure," as defined in this subsection, shall report these expenditures when the expenditures exceed five hundred dollars ($500) in the aggregate in any one (1) election, on forms provided by the registry.

(2) Except as provided in KRS 121.180(10), the solicitation from and contributions by candidates, slates of candidates, campaign committees, political issues committees, [~~permanent committees,~~] and party executive committees to any religious, charitable, civic, eleemosynary, or other causes or organizations established primarily for the public good is expressly prohibited; except that it shall not be construed as a violation of this section for a candidate or slate of candidates to continue regular personal contributions to religious, civic, or charitable groups.

(3) No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf, shall accept any anonymous contribution in excess of fifty dollars ($50), and all anonymous contributions in excess of fifty dollars ($50) shall be returned to the donor, if the donor can be determined. If no donor is found, the contribution shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020. No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf shall accept anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate in any one (1) election. Anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate which are received in any one (1) election shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020.

(4) No candidate, committee, or contributing organization, nor anyone on their behalf, shall accept a cash contribution in excess of one hundred dollars ($100).

(5) No candidate, slate of candidates, committee, contributing organization, nor anyone on their behalf, shall accept any contribution in excess of one hundred dollars ($100) from any person who shall not become eighteen (18) years of age on or before the day of the next general election.

(6) No candidate, campaign committee, political issues committee, nor anyone acting on their behalf, shall accept a contribution of more than five hundred dollars ($500) from any person[~~, permanent committee,~~] or contributing organization in any one (1) election; except that no candidate for school board, his campaign committee, nor anyone acting on their behalf shall accept a contribution of more than one hundred dollars ($100) from any person or more than two hundred dollars ($200) from any [~~permanent committee or~~] contributing organization in any one (1) election. No person[~~, permanent committee,~~] or contributing organization shall contribute more than five hundred dollars ($500) to any one (1) candidate, campaign committee, political issues committee, nor anyone acting on their behalf, in any one (1) election; except that no person shall contribute more than one hundred dollars ($100) and no [~~permanent committee or~~] contributing organization shall contribute more than two hundred dollars ($200) to any one (1) school board candidate, his campaign committee, nor anyone acting on their behalf, in any one (1) election. Limits on contributions for slates of candidates

for Governor and Lieutenant Governor which may be made or received in any one (1) election shall be governed by the provisions of KRS 121A.050.

(7) [~~Except for permanent committees organized as of January 1, 1988, permanent committees or~~] Contributing organizations affiliated by bylaw structure or by registration, as determined by the Registry of Election Finance, shall be considered as one (1) ***contributing organization*** [~~committee~~] for purposes of applying the contribution limits of subsection (6) of this section.

(8) ***No federally-registered out-of-state political action committee shall contribute to a Kentucky candidate, except one seeking federal office, a committee, or a contributing organization. No Kentucky candidate, except one seeking federal office, committee, or contributing organization shall accept a contribution from a federally-registered out-of-state political action committee.*** [~~No permanent committee shall contribute funds to another permanent committee for the purpose of circumventing contribution limits of subsection (6) of this section.~~]

(9) No person shall contribute funds to a [~~permanent committee,~~] political issues committee[~~,~~] or contributing organization for the purpose of circumventing the contribution limits of subsection (6) of this section.

(10) No person shall contribute more than four thousand dollars ($4,000) to all [~~permanent committees and~~] contributing organizations in any one (1) year.

(11) No person shall contribute more than two thousand five hundred dollars ($2,500) to the state executive committee of a political party and its subdivisions and affiliates in any one (1) year. Contributions a person makes to a political party in excess of one thousand dollars ($1,000) in any one (1) year shall be deposited in a separate account which the state executive committee maintains for the exclusive purpose of paying administrative costs incurred by the political party.

(12) No person shall make a payment, distribution, loan, advance, deposit, or gift of money to another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf. No candidate, committee, contributing organization, nor anyone on their behalf shall accept a contribution made by one (1) person who has received a payment, distribution, loan, advance, deposit or gift of money from another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf.

(13) No candidates running as a slate for the offices of Governor and Lieutenant Governor shall make combined total personal loans to their committee in excess of fifty thousand dollars ($50,000) in any one (1) election. No candidate for any other statewide elected state office shall lend to his committee any amount in excess of twenty-five thousand dollars ($25,000) in any one (1) election. In campaigning for all other offices, no candidate shall lend to his committee more than ten thousand dollars ($10,000) in any one (1) election.

(14) No candidate or slate of candidates for nomination to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for primary election expenses after the date of the primary. No person other than the candidate or slate of candidates shall contribute for primary election expenses after the date of the primary.

(15) No slate of candidates for nomination for election to the offices of Governor and Lieutenant Governor, nor its campaign committees, nor anyone on their behalf, shall solicit or accept contributions for runoff primary election expenses after the date of the runoff primary. No person other than the slated candidates shall contribute for runoff primary election expenses after the date of the runoff primary.

(16) No candidate or slate of candidates for any state, county, city, or district office at a regular election, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for regular election expenses after the date of the regular election. No person other than the candidate or slate of candidates shall contribute for regular election expenses after the date of the regular election.

(17) No candidate or slate of candidates for nomination or election to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for special election expenses after the date of the special election. No person other than the candidate or slate of candidates shall contribute for special election expenses after the date of the special election.

(18) Nothing in subsections (14) to (17) of this section shall be deemed to prohibit a slate of candidates from receiving transfers from the election campaign fund established by KRS 121A.020 for which it is eligible for matches of qualifying contributions received prior to the date of the election but for which no transfer from the fund had been made prior to the date of the election.

(19) The provisions of subsections (14) and (16) of this section shall apply only to those candidates in a primary or regular election which shall be conducted subsequent to January 1, 1989. The provisions of subsections (15) and (17) of this section shall apply only to those candidates or slates of candidates in a runoff primary or special election which shall be conducted subsequent to January 1, 1993.

(20) No slate of candidates for Governor and Lieutenant Governor or their immediate families shall loan any money, service, or other thing of value to their campaign, and all moneys, services, or other things of value which are loaned shall be deemed a contribution, which may not be recovered by the slate of candidates, except to the extent of a combined total of fifty thousand dollars ($50,000).

(21) No candidate, slate of candidates, committee, except a political issues committee, or contributing organization, nor anyone on their behalf, shall knowingly accept a contribution from a corporation, directly or indirectly.

(22) [~~Nothing in this section shall be construed to restrict the ability of a corporation to administer its permanent committee insofar as its actions can be deemed not to influence an election as prohibited by KRS 121.025.~~

~~(23)~~]In addition to the prohibitions set forth in this section, no slate of candidates shall accept any contribution during the thirty (30) days immediately preceding a primary or regular election except as provided in KRS 121A.030(5).

(23)[~~(24)~~] No candidate, slate of candidates, or committee, nor anyone on their behalf, shall solicit a contribution of money or services from a state employee, whether or not the employee is covered by the classified service provisions of KRS Chapter 18A. However, it shall not be a violation of this subsection for a state employee to receive a solicitation directed to him as a registered voter in an identified precinct as part of an overall plan to contact voters not identified as state employees.

Section 3. KRS 121.170 is amended to read as follows:

(1) Any committee organized under any provisions of this chapter shall register with the registry, by filing official notice of intention at the time of organization, giving names, addresses, and positions of the officers of the organization and designating the candidate or candidates, slate of candidates, or question it is organized to support or oppose on forms prescribed by the registry. The name of the committee shall reasonably identify to the public the sponsorship and purpose of the committee. The forms filed with the registry shall require the registrant to clearly identify the specific purpose, sponsorship, and source from which the committee originates; and the registry shall refuse to allow filing by any committee until this requirement has been satisfied.

(2) Any person who acts as a fundraiser by directly soliciting contributions for an election campaign of a candidate or slate of candidates for elected office shall register with the registry when he raises in excess of three thousand dollars ($3,000) in any one (1) election for the campaign committee by filing official notice giving his name, address, occupation, employer or, if he is self-employed, the name under which he is doing business, and all candidates or slates of candidates for whom he is soliciting on forms prescribed by the registry. A registered fundraiser shall comply with the campaign finance reporting requirements of KRS 121.180(3), (4), and (5) and KRS 121A.010(5).

(3) All provisions of KRS 121.160 and 121A.070 governing the duties and responsibilities of a candidate, slate of candidates, or campaign treasurer shall apply to a registered committee[~~, except a federally registered out-of-state permanent committee,~~] and a person acting as a campaign fundraiser.

(4) The chairman of a committee and the campaign treasurer shall be separate persons.

[~~(5) A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry at the time it files its registration papers. A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry no later than the last day of the first calendar quarter following the year in which it registers with the registry and each succeeding year thereafter until the permanent committee terminates. The amount of administrative fees received by the registry from permanent committees shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.~~

~~(6) Any federally registered out-of-state permanent committee that contributes to a Kentucky candidate shall:~~

~~(a) File with the registry a copy of its federal registration (Federal Election Commission Form 1 - Committee Registration Form);~~

~~(b) File with the registry a copy of the Federal Election Commission finance report when a contribution is made to a Kentucky candidate; and~~

~~(c) Contribute not more than the maximum amount permitted for a permanent committee to make under Kentucky law to any candidate for any office in this Commonwealth.~~

~~(7) Notwithstanding any provision of law to the contrary, a contribution made by a federally registered permanent committee to any candidate for any office in this Commonwealth that complies with the provisions of 2 U.S.C. '441b, 11 C.F.R. 104.10, 11 C.F.R. 106.6, and 11 C.F.R. 114.1-114.12 regarding limitations on contributions by corporations shall be deemed to comply with the campaign finance laws of this Commonwealth prohibiting corporate contributions to candidates.~~]

Section 4. KRS 121.180 is amended to read as follows:

(1) (a) Any candidate, slate of candidates, or campaign treasurer, or political issues committee shall be exempt from filing any pre-election finance reports required by subsection (3) of this section or KRS 121A.020(5), whichever is applicable, if the candidate, slate of candidates, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that contributions will not be accepted or expended in excess of three thousand dollars ($3,000) in any one (1) election to further the candidacy or to support or oppose a constitutional amendment or public question which will appear on the ballot. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(b) Any candidate, slate of candidates, campaign treasurer, or political issues committee shall be exempt from filing any campaign finance reports required by subsection (3) of this section or KRS 121A.020(5), whichever is applicable, if the candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that currently no contributions have been received and that contributions will not be accepted or expended in excess of two hundred fifty dollars ($250) in any one (1) election. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(c) For a primary election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than the deadline for filing nomination papers and shall be bound by its terms unless it is rescinded in writing not later than fifteen (15) days after the filing deadline. For a runoff primary election, a slate of candidates shall file its request for exemption not later than five (5) days after the date of the preceding primary election and it shall be bound by its terms unless it rescinds it in writing not later than ten (10) days after the date of the preceding primary election. For a regular election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than ten (10) days after the date of the preceding primary election, or runoff primary, if one is held, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date of the primary election, or runoff primary, if one is held. For a special election, a candidate, slate of candidates, or campaign treasurer shall file a request for exemption not later than ten (10) days after being nominated for a special election, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date on which the nomination for a special election is made.

(d) Any candidate, slate of candidates, campaign treasurer, or political issues committee that is exempt from filing campaign finance reports pursuant to paragraph (a) or (b) of this subsection that accepts contributions or expends, or whose campaign treasurer accepts contributions or expends, in excess of the applicable limit in any one (1) election without rescinding the request for exemption in a timely manner shall comply with all applicable reporting requirements and, in addition to other penalties prescribed by law, in the case of a candidate or slate of candidates, upon a final determination that a violation occurred, be ineligible as a candidate or slate of candidates for the office sought, the nomination or election shall be void, and a vacancy shall be declared.

(2) State and county executive committees shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source since the date of the last report, including the full name and address of each contributor, and the age if less than the legal voting age, the employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of three hundred dollars ($300), the amount contributed by each and the date of the contribution,

whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name and address of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. This report shall be made to the registry within thirty (30) days after the primary, runoff primary if slates of candidates of that party participate, and regular elections. If an individual gives a reportable contribution to a state or county executive committee with the intention that the contribution or a portion of the contribution go to a candidate or slate of candidates, the name of the contributor and the sum shall be indicated on the committee report. The receipts and expenditures of funds remitted to each political party under KRS 141.071 to 141.073 shall be separately accounted for and reported to the registry in the manner required by KRS 121.230. The separate report may be made a separate section within the report required, by this subsection, to be submitted within thirty (30) days after each regular election.

(3) Except for candidates or slates of candidates, campaign treasurers, or political issues committees exempted from reporting requirements pursuant to subsection (1) of this section, each campaign treasurer of a candidate, slate of candidates, campaign committee, or political issues committee who accepts contributions or expends, expects to accept contributions or expend, or contracts to expend more than three thousand dollars ($3,000) in any one (1) election, and each fundraiser who secures contributions in excess of three thousand dollars ($3,000) in any one (1) election, shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source, since the date of the last report, including the full name and address of each contributor, and the age if less than the legal voting age, the employer of each contributor and the spouse of the contributor or, if the contributor or spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of three hundred dollars ($300), to a candidate or political issues committee or in excess of one hundred dollars ($100) to a slate of candidates the amount contributed by each and the date of the contribution, whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name, address, and occupation of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. Reports of all candidates, campaign committees, political issues committees, and registered fundraisers shall be made as follows:

(a) Candidates as defined in KRS 121.015(8), campaign committees, political issues committees, and fundraisers which register in the year before the year an election in which the candidate or public question shall appear on the ballot, shall file financial reports with the registry at the end of the first calendar quarter after the person becomes a candidate or following registration of the committee or fundraiser, and each calendar quarter thereafter, ending with the last calendar quarter of that year. Candidates, committees, and registered fundraisers shall make all reports required by this section during the year in which the election takes place;

(b) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the thirty-second day preceding an election, including all previous contributions and expenditures;

(c) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the twelfth day preceding the date of the election; and

(d) All reports to the registry shall be in the hands of the registry or postmarked within five (5) days after each filing deadline.

(4) All candidates, regardless of funds received or expended, campaign committees, political issues committees, and registered fundraisers shall make post-election reports within thirty (30) days after the election.

(5) In making the preceding reports, the total gross receipts from each of the following categories shall be listed: proceeds from the sale of tickets for events such as testimonial affairs, dinners, luncheons, rallies, and similar fundraising events, mass collections made at the events, and sales of items such as campaign pins, buttons, hats, ties, literature, and similar materials. When any individual purchase or the aggregate purchases of any item enumerated above exceeds one hundred dollars ($100), the purchaser shall be identified by name, address, age, if less than the legal voting age, occupation, and employer and the employer of the spouse of the purchaser or, if the purchaser or the spouse of the purchaser is self-employed, the name under which he is doing business, and the amount purchased shall be reported to the registry. The lists shall be maintained by the campaign treasurer, political issues committee treasurer, registered fundraiser, or other sponsor for inspection by the registry for six (6) years following the date of the election.

(6) [~~(a)~~] Each [~~permanent committee,~~] inaugural committee[~~,~~] or contributing organization shall make a full report, upon a prescribed form, to the registry of all money, loans, or other things of value, received

by it from any source, since the date of the last report, including the full name and address of each contributor, and the age if under the legal voting age, employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of three hundred dollars ($300) and if in cash it shall be so stated. An aggregate amount of cash contributions shall also be reported, the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred or made, including "independent expenditures" as defined in KRS 121.150(1). This report shall be made by ***an***[~~a permanent committee,~~] inaugural committee[~~,~~] or contributing organization to the registry on the last day of the first calendar quarter following the registration of the committee with the registry and on the last day of each succeeding calendar quarter until such time as the committee terminates. A contributing organization shall file a report of contributions received and expenditures made on forms prescribed by the registry not later than the last day of each calendar quarter in which contributions are received or expenditures are made. All reports to the registry shall be postmarked or received not later than five (5) days after each filing deadline[~~; and~~

~~(b) A permanent committee shall pay an administrative fee to the registry in an amount equal to five percent (5%) of the expenditures, including independent expenditures, the permanent committee makes in support of or opposition to all candidates or slates of candidates for office. The payment for the administrative fee shall accompany each report a permanent committee makes to the registry which documents expenditures in support of or defeat of any candidate or slate of candidates during the reporting period covered by the report. The amount of administrative fees received by the registry from permanent committees for each reporting period shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020~~].

(7) If the final statement of a candidate, campaign committee, or political issues committee shows an unexpended balance of contributions, continuing debts and obligations, or an expenditure deficit, the campaign treasurer shall file with the registry a supplemental statement of contributions and expenditures not more than thirty (30) days after the deadline for filing the final statement. Subsequent supplemental statements shall be filed semiannually, to be in the hands of the registry or postmarked within ten (10) days after April 15 and October 15, until the account shows no unexpended balance, continuing debts and obligations, expenditures, or deficit. All contributions shall be subject to KRS 121.150.

(8) All reports filed under the provisions of this chapter shall be a matter of public record open to inspection by any member of the public immediately upon receipt of the report by the registry. A duplicate copy of each report filed with the registry shall be filed by the candidate, slate of candidates, or committee with the county clerk in the county in which the candidate or persons running as a slate of candidates reside at the same time. County clerks shall maintain these reports for public inspection for a period of one (1) year from the date the last report is required to be filed.

(9) A candidate or slate of candidates is relieved of the duty personally to file reports and keep records of receipts and expenditures if the candidate or slate states in writing or on forms provided by the registry that:

(a) Within five (5) business days after personally receiving any contributions, the candidate or slate of candidates shall surrender possession of the contributions to the treasurer of their principal campaign committee without expending any of the proceeds thereof. No contributions shall be commingled with the candidate's or slated candidates' personal funds or accounts. Contributions received by check, money order, or other written instrument shall be endorsed directly to the campaign committee and shall not be cashed or redeemed by the candidate;

(b) The candidate or slate of candidates shall not make any unreimbursed expenditure for the campaign, except that this paragraph does not preclude a candidate or slate from making an expenditure from personal funds to the designated principal campaign committee, which shall be reported by the committee as a contribution received; and

(c) The waiver shall continue in effect as long as the candidate or slate of candidates complies with the conditions under which it was granted.

(10) No candidate, slate of candidates, campaign committee, political issues committee, or contributing organization shall use or permit the use of contributions or funds solicited or received for the person or in support of or opposition to a public issue which will appear on the ballot to further the candidacy of the person for a different public office, to support or oppose a different public issue, or to further the candidacy of any other person for public office; except that nothing in this subsection shall be deemed to prohibit a candidate or slate of candidates from using funds in the campaign account to purchase admission tickets for any fundraising event or testimonial affair for another candidate or slate of candidates if the amount

of the purchase does not exceed one hundred dollars ($100) per event or affair. Any funds or contributions solicited or received by or on behalf of a candidate, slate of candidates, or any committee, which has been organized in whole or in part to further any candidacy for the same person or to support or oppose the same public issue, shall be deemed to have been solicited or received for the current candidacy or for the election on the public issue if the funds or contributions are solicited or received at any time prior to the regular election for which the candidate, slate of candidates, or public issue is on the ballot. Except as provided in KRS 121A.080(6), any unexpended balance of funds not otherwise obligated for the payment of expenses incurred to further a political issue or the candidacy of a person shall, in whole or in part, at the election of the candidate or committee, escheat to the State Treasury, be returned pro rata to all contributors, or, in the case of a partisan candidate, be transferred to the state or county executive committee of the political party of which the candidate is a member except that a candidate, committee, or an official may retain the funds to further the same public issue or to seek election to the same office or may donate the funds to any charitable, nonprofit, or educational institution recognized under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and any successor thereto.

(11) Any publisher of newspapers or magazines, owner or lessor of billboards, a radio or television station or network, or any other person, company, corporation, or business organization offering its communications or advertising services for hire to the public who receives funds for the purchase of advertising services or material shall file with the registry a copy of the material or communication purchased by any person to support or oppose any slate of candidates or committee, which shall be provided by the purchaser for filing with the registry, and a copy of the receipt for the funds paid, and shall identify for the registry the person purchasing the services or material, and the source of the funds used to make the purchase if different than the purchaser. The information shall be reported to the registry not more than thirty (30) days after receiving the initial advertising or communications purchase for an election and every thirty (30) days thereafter if purchases are made in the ensuing period; except that reports of purchases shall be made to the registry every fourteen (14) days during the fifty-six (56) days before the primary and regular elections for Governor and Lieutenant Governor. The provisions of this subsection shall apply only to purchases of advertising services or material to support or oppose a slate of candidates for election to the offices of Governor and Lieutenant Governor.

Section 5. KRS 121A.010 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Registry" means the Kentucky Registry of Election Finance;

(2) "Fund" means the election campaign fund;

(3) "Transfer" means a transfer from the fund to a qualifying slate of candidates;

(4) "Qualifying contribution" means a contribution made to a slate of candidates for Governor and Lieutenant Governor by a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization that is authorized to contribute to candidates that is paid by personal check, cashier's check, or money order. A qualifying contribution shall not include a cash contribution, loan, pledge, nonmonetary contribution, or contribution by a slate of candidates in excess of the contribution limits of KRS 121A.050;

(5) "Qualifying slate of candidates" means any slate of candidates of a political party or any independent nominees for Governor and Lieutenant Governor whose names are qualified to appear jointly on a primary or runoff primary election ballot, or candidates who have filed a notification and declaration pursuant to KRS 118.127 who are authorized by this chapter to receive contributions and make expenditures jointly for the regular election, and one (1) that has otherwise qualified under this chapter to receive a transfer from the election campaign fund, including having raised the minimum threshold qualifying amount. "Qualifying slate of candidates," when applied to a runoff primary, means a slate of candidates for Governor and Lieutenant Governor that has been certified by the Secretary of State as one that has received the highest or next highest number of votes for its party's nomination in a primary that filed a statement of intent to accept a transfer from the fund and abide by the expenditure limit for the primary which was not rescinded in a timely manner;

(6) "Slate of candidates" means any two (2) persons who have filed a joint notification and declaration pursuant to KRS 118.127, received contributions or made expenditures, appointed a campaign treasurer, designated a campaign depository, or given their consent for any other individual to receive contributions or make expenditures, with a view to bringing about their nomination for election to the offices of Governor and Lieutenant Governor. Unless the context requires otherwise, any provision of law that applies to a candidate shall also apply to a slate of candidates;

(7) "Candidate campaign account" means the bank account required by KRS 121.160 to be established, which for a slate of candidates for Governor and Lieutenant Governor shall be in a financial institution authorized to do business in Kentucky which is insured by the Federal Deposit Insurance Corporation and shall be for the sole purpose of receiving transfers from the fund and contributions or other moneys raised from personal resources;

(8) "Campaign expenditures" means lawful expenditures from a candidate campaign account on behalf of a slate of candidates to further its nomination or election to the offices of Governor and Lieutenant Governor authorized by the campaign committee treasurer or other authorized individual;

(9) "Committee" includes the following:

(a) "Campaign committee" which means one (1) or more persons who receive contributions and make expenditures to support or oppose one (1) or more specific slate of candidates for nomination or election to the offices of Governor and Lieutenant Governor;

(b) "Political issues committee," which means three (3) or more persons joining together to advocate or oppose a constitutional amendment or public question which will appear on the ballot if that committee receives or expends money in excess of one thousand dollars ($1,000); ***and***

(c) [~~"Permanent committee," which means a group of individuals, including an association, committee, or organization, other than a campaign committee or party executive committee, which is established as, or intended to be, a permanent organization having as a primary purpose political activity which may include support of or opposition to selected candidates, political parties, or issues of public importance, and which functions on a regular basis throughout the year; and~~

~~(d)~~] An executive committee of a political party;

(10) "Contributing organization" means a group which merely contributes to candidates, campaign committees, or executive committees from time to time from funds derived solely from within the group, and which does not solicit or receive funds from sources outside the group itself. However, any contribution made by a contributing organization in excess of one hundred dollars ($100) shall be reported to the registry;

(11) (a) "Contribution" means any:

1. Payment, distribution, loan, deposit, or gift of money or other thing of value, to a slate of candidates, its agent, a committee, or contributing organization. As used in this subsection, "loan" shall include a guarantee, endorsement, or other form of security where the risk of nonpayment rests with the surety, guarantor, or endorser, as well as with a committee, contributing organization, slate of candidates, or other primary obligor. No individual shall become liable as surety, endorser, or guarantor for any sum which, when combined with all other contributions the individual makes to the slate of candidates, its agent, the committee, or the contributing organization, exceeds the contribution limits provided in KRS 121.150;

2. Payment by any individual other than the slate of candidates, its authorized treasurer, a committee, or contributing organization of compensation for the personal services of another individual which are rendered to a slate of candidates, committee, or contributing organization;

3. Goods, advertising, or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are furnished to a slate of candidates, committee, or contributing organization without charge, or at a rate which is less than the rate normally charged for such goods or services;

4. Payment by any individual other than the slate of candidates, its authorized treasurer, a committee, or contributing organization for any goods or services with a value of more than one hundred dollars ($100) in the aggregate in any one (1) election which are utilized by a slate of candidates, committee, or contributing organization;

5. Expenditure in connection with any other activity undertaken independently of activities of a slate of candidates, of a committee, or of a contributing organization made or furnished for the purpose of influencing the results of an election.

(b) Notwithstanding the foregoing meanings of "contribution," it shall not be construed to include:

1. Services provided without compensation by individuals volunteering a portion or all of their time on behalf of a slate of candidates, committee, or contributing organization;

2. Expenditures by an individual other than a candidate in connection with an event held in the individual's home when the individual expends less than three hundred dollars ($300); or

3. A loan of money by any financial institution doing business in Kentucky made in accordance with applicable banking laws and regulations and in the ordinary course of business; and

(12) "Knowingly" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Section 6. KRS 121A.030 is amended to read as follows:

(1) A qualifying slate of candidates for Governor and Lieutenant Governor that receives transfers from the fund may make campaign expenditures which, in the aggregate, including the expenditure of transfers from the fund, shall not exceed one million eight hundred thousand dollars ($1,800,000) in connection with a primary election campaign and one million eight hundred thousand dollars ($1,800,000) in connection with a regular election campaign, subject to the provisions of KRS 121A.080(4) and (5), and three hundred thousand dollars ($300,000) in connection with a runoff primary campaign.

(2) The expenditure limit amounts established in subsection (1) of this section shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment in a year in which a Governor and Lieutenant Governor are elected not later than the filing deadline for the primary election.

(3) No qualifying slate of candidates for Governor and Lieutenant Governor that receives a transfer from the fund or that is otherwise subject to expenditure limitations shall exceed the expenditure limitations of subsection (1) of this section through an additional reported or unreported expenditure by any person, committee, or contributing organization which does not qualify as an "independent expenditure" as defined in KRS 121.150(1).

(4) [~~A slate of candidates for Governor and Lieutenant Governor that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit that was not rescinded pursuant to KRS 121A.040(4) may receive contributions from permanent committees which, in the aggregate, shall not exceed twenty-five percent (25%) of the qualifying contributions received by the slate of candidates in any one (1) election. A slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund pursuant to KRS 121A.040(4) may receive contributions from permanent committees which, in the aggregate, shall not exceed twenty-five percent (25%) of the qualifying contributions received by the slate of candidates in any one (1) election up to a maximum of one hundred fifty thousand dollars ($150,000) in any one (1) election.~~

~~(5)~~] No slate of candidates for Governor and Lieutenant Governor shall knowingly accept any other campaign contribution during the thirty (30) days immediately preceding a primary or regular election and during the fourteen (14) days immediately preceding a runoff primary except:

(a) A qualifying slate of candidates that has elected to become eligible for fund transfers or who may in the future elect to become eligible for fund transfers shall be released from expenditure limitations following a certification by the registry pursuant to KRS 121A.080(4) or (5) that a slate of candidates that has not elected to become eligible for fund transfers has received contributions or made expenditures in excess of the expenditure limits provided in subsection (1) of this section; or

(b) The matching ratio of fund transfers established in KRS 121A.060(2)(c) has been reduced by the registry pursuant to KRS 121A.080(3). If the registry reduces the matching ratio of fund transfers, a qualifying slate of candidates that has elected to become eligible for fund transfers or that may in the future elect to become eligible for fund transfers, may accept aggregate qualifying contributions which, when added to the maximum threshold qualifying amount established in KRS 121A.060(2)(c) and the amount equal to the reduced matching ratio of fund transfers shall not exceed the expenditure limit established in subsection (1) of this section, unless a qualifying slate of candidates has been released from expenditure limitations pursuant to KRS 121A.080(4) or (5).

Section 7. KRS 121A.050 is amended to read as follows:

(1) A slate of candidates that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit which was not rescinded pursuant to KRS 121A.040(4) shall not knowingly accept a contribution from a natural person, [~~permanent committee,~~] executive committee of a political party,

or contributing organization of more than five hundred dollars ($500) in any one (1) election. Except for independent expenditures, as defined in KRS 121.150(1), no natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a contribution of more than five hundred dollars ($500) in any one (1) election to a slate of candidates that has filed a statement of intent to accept transfers from the fund and abide by the maximum expenditure limit which was not rescinded.

(2) A slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund pursuant to KRS 121A.040(4) shall not knowingly accept a contribution of more than one hundred dollars ($100) in any one (1) election from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization. A slate of candidates that has accepted a contribution in excess of one hundred dollars ($100) that later rejects expenditure limitations or rescinds its acceptance of expenditure limitations shall refund to the contributor the amount of a contribution in excess of one hundred dollars ($100). Except for independent expenditures, as defined in KRS 121.150(1), no natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a contribution of more than one hundred dollars ($100) in any one (1) election to a slate of candidates that has filed a statement of intent to reject transfers from the fund and not abide by the maximum expenditure limit or one that has rescinded a statement of intent to accept transfers from the fund.

(3) No slate of candidates shall knowingly accept any cash contribution from a natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization. No natural person, [~~permanent committee,~~] executive committee of a political party, or contributing organization shall knowingly make a cash contribution to a slate of candidates.".

Floor Amendment No. 34 to the House Committee Substitute to **SB 7**, by Representative Callahan:

Amend printed copy of **SB 7/HCS** on page 22, between lines 11 and 12, by inserting the following:

"***The provisions of subsection (10) of this section shall also apply to persons who are business associates of a legislator.***"; and

On page 22, line 17, by deleting "***; nor shall it apply to***"; and

On page 22, by deleting lines 18 through 22 in their entirety; and

On page 22, line 23, by deleting "***rendering its decision***".

Floor Amendment No. 35 to the House Committee Substitute to **SB 7**, by Representative Callahan:

Amend printed copy of **SB 7/HCS** on page 22, line 23, after "***decision.***" by inserting the following: "***However, a legislator shall receive no compensation from representation by a business associate in any matter in which representation by the legislator is prohibited by this subsection.***".

Floor Amendment No. 36 to the House Committee Substitute to **SB 7**, by Representative Zimmerman:

Amend printed copy of **SB 7/HCS** on page 27, line 5, after "***all***" by deleting "***contracts, loans,***" and by deleting line 6 in its entirety, and on line 7, by deleting "***other***".

Floor Amendment No. 37 to the House Committee Substitute to **SB 7**, by Representative Lewis:

Amend printed copy of **SB 7/HCS** on page 45, line 5, after "***The***" by deleting "***Registry of Election Finance***" and inserting in lieu thereof "***statewide organization of the League of Women Voters***".

Floor Amendment No. 38 to the House Committee Substitute to **SB 7**, by Representative Lear:

Amend printed copy of **SB 7/HCS** on page 148, line 11, after "on" by deleting "the effective date of this Act" and by inserting in lieu thereof "January 1, 1994"; and

On page 153, line 26, after "76." by deleting all the language on that line and by inserting in lieu thereof "Section 52(4)(f), Section 53, Section 54, Section 55, Section 56, Section 57, and Section 58 of this Act shall become effective January 1, 1994."; and

On page 154, by deleting lines 1 through 15 in their entirety.

Floor Amendment No. 39 to the House Committee Substitute to SB 7, by Representative Sheehan:

Amend printed copy of SB 7/HCS on page 1, by deleting lines 1 through 20 in their entirety; and

By deleting pages 2 through 153 in their entirety; and

By inserting the following in lieu of the deleted material:

"SECTION 1. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) No legislator shall accept a cup of coffee from a lobbyist.

(2) Violation of subsection (1) shall be a capital offense:"; and

On page 154, by deleting lines 1 through 15 in their entirety; and

On page 154, line 16, by deleting "77" and inserting in lieu thereof "2".

Floor Amendment No. 40 to the House Committee Substitute to SB 7, by Representative Sheehan:

Amend printed copy of SB 7/HCS on page 148, after line 4, by inserting the following:

"Section 70. KRS 121.065 is amended to read as follows:

(1) No publisher of newspapers, magazines, handbills or other printed matter, owner or lessor of billboards, radio or television station or network or any other person, company, corporation or organization offering its communications services for hire to the public shall be permitted to charge fees for political advertising in excess of those charged other advertisers.

(2) Political advertising means any communication intended to support or defeat a candidate for public office.

(3) An action to enjoin violations of this section shall be in the Circuit Court of the county where the complaining candidate resides.

(4) A printed editorial in any newspaper in this state supporting or endorsing the election of a candidate for any public office shall constitute an independent expenditure as defined by KRS 121.150(1).

(5) The monetary value of the independent expenditure shall be determined by multiplying the paid circulation of the newspaper in which the editorial appears by one-half of a cent ($.005).

(6) If the monetary value of the independent expenditure exceeds five hundred dollars ($500), it shall be reportable under the provisions of KRS 121.150(1) and, in addition, the person or entity making the editorial endorsement shall report, on forms and in the manner required by administrative regulations promulgated by the registry, the following:

(a) The name of the person or persons who wrote the editorial endorsement; and

(b) Any contracts, loans, joint interests in real estate or personal property, and any other financial relationship between the filer and the endorsed candidate, and between the filer and persons who are members of a partnership with the endorsed candidate, and between the filer and any business in which the endorsed candidate owns or controls an interest.

(7) Failure to file the report to the registry in a timely manner, or knowingly filing a report under this section which the filer knows is inaccurate or incomplete, shall constitute a Class D felony and, in the case of a Kentucky corporation, upon conviction shall result in revocation of the corporate charter of the offender, or in the case of a foreign corporation transacting business in Kentucky, upon conviction shall result in revocation of its corporate certificate of authority."; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "77"; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "73"; and

On page 153, line 22, by deleting "(1) and (2)" and inserting in lieu thereof "(1), (2), and (3)"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "77" and by deleting "74" and inserting in lieu thereof "75"; and

On page 154, after line 15, by inserting:

"(3) On January 1, 1994, Section 70 of this Act shall become effective.".

Floor Amendment No. 41 to the House Committee Substitute to **SB** 7, by Representative Sheehan:

Amend printed copy of **SB 7/HCS** on page 36, lines 2 and 3, by placing a comma after "Lobbyists", and by deleting "and", and by inserting, after "Principals", the words ", and Others"; and

On page 37, line 2, by inserting the following after "***lobbyist***": "***, or newspaper correspondent, or wire service correspondent***".

Floor Amendment No. 42 to the House Committee Substitute to **SB** 7, by Representative Allen:

Amend printed copy of **SB 7/HCS** on page 60, line 19, by deleting "***Franklin***"; and

on page 60, line 19, by adding after the word "***Court***" the following: "***of the county in which the alleged violation occurred***"; and

on page 61, line 1, by deleting "***Franklin***".

Floor Amendment No. 43 to the House Committee Substitute to **SB** 7, by Representative Sheehan:

Amend printed copy of **SB 7/HCS** on page 64, line 25, after the "." add: "***Each course shall be designed for approval by the Kentucky Bar Association for Continuing Legal Education ethics credits which the Bar Association may require.***"; and

on page 66, line 5, after the "." add: "***Each seminar shall be designed for approval by the Kentucky Bar Association for Continuing Legal Education ethics credits which the Bar Association may require.***".

Floor Amendment No. 44 to the House Committee Substitute to **SB** 7, by Representative Hancock:

Amend printed copy of **SB 7/HCS** as follows:

WHEREAS, Section 57 of the Constitution of Kentucky forbids members of the General Assembly to vote on legislation in which they have a monetary or a personal interest; and

WHEREAS, many sections of Senate Bill 7 clearly have such an effect if current legislators vote upon matters in this legislation which will affect them; and

WHEREAS, the appearance of impropriety can be solved by delaying implementation of the provisions of this Act until the terms of present members of the General Assembly have expired; and

WHEREAS, placing the effective date after current members have left the General Assembly frees the consciences of members who may vote without the pressure of knowing that they are affecting themselves when they vote;

NOW, THEREFORE;

Amend the GA Copy of Senate Bill 7/HCS, as follows:

On page 65, line 3, after "***(4)***" by inserting "***Beginning January 1, 1997,***; and

On page 66, line 9, after "***(4)***" by inserting "***Beginning January 1, 1997,***"; and

On page 153, line 23, by deleting "and Section 74" and inserting ", Section 74, and Section 77"; and

On page 154, after line 15, by adding the following:

"Section 77. On January 1, 1998, the following sections shall become effective:

(a) Section 16;

(b) Section 18;

(c) Section 21;

(d) Section 24;

(e) Section 25;

(f) Section 26;

(g) Section 27; and

(h) Section 28."; and

On page 154, line 16, by deleting "77" and inserting "78".

Floor Amendment No. 45 to the House Committee Substitute to **SB** 7, by Representative Jensen:

Amend printed copy of **SB** 7/**HCS** on page 148, after line 4 but before line 5, by inserting the following:

"SECTION 70. A NEW SECTION OF KRS CHAPTER 15 IS CREATED TO READ AS FOLLOWS:

(1) The position of inspector general is created within the Office of the Attorney General.

(a) The inspector general shall be appointed by the Governor from a list of three (3) names submitted by the Prosecutor's Advisory Council.

(b) The inspector general shall not be removed from office without a showing that he failed to perform his duty or violated the law.

(c) The inspector general shall serve a term of four (4) years, beginning July 1, 1994, and may be reappointed.

(d) The inspector general shall receive the same salary as the deputy Attorney General.

(e) The inspector general shall have the following minimum qualifications:

1. Be a licensed attorney for four (4) years with at least two (2) years experience in the prosecution of criminal cases; or

2. Be a licensed certified public accountant for four (4) years with at least two (2) years experience in auditing of public or private financial records; or

3. Be a law enforcement officer with a college degree in law enforcement and four (4) years of investigative experience.

(f) The staff of assistant inspector generals shall be appointed by the inspector general and shall be merit employees of the Commonwealth of Kentucky. The staff, while not limited to attorneys, shall have a sufficient number of attorneys to permit criminal prosecution.

(2) The inspector general shall have the following duties:

(a) To conduct investigations within government agencies and programs administering public funds through nongovernmental entities or unlawful acts with regard to an election;

(b) To identify and prosecute participants in any criminal activity;

(c) To report to the Governor, the General Assembly, and the Legislative Research Commission deficiencies in agency procedure that prevent effective investigation of public expenditures; and

(d) To unify investigative prosecutorial efforts within the limited jurisdiction set forth in this section of the Attorney General, the Kentucky State Police, other state and local law enforcements and regulatory agencies, and Commonwealth's and county attorneys.

(e) To represent any public employee disclosing a violation of law under KRS 61.101 to 61.103 before any public personnel or administrative review board that considers action regarding a public employee subsequent to the employee disclosing a violation of law and protected by KRS 61.101 to 61.103.

(3) The inspector general shall have the following powers:

(a) He shall be a peace officer and shall have the powers of a sheriff, except that he may exercise those powers statewide;

(b) He shall have the authority to utilize the investigative services of the Kentucky State Police, other state and local law enforcement and regulatory agencies, and Commonwealth's and county attorneys.

(c) He shall have access to all records, reports, audits, documents, and other evidentiary materials that apply to any state agency, or relate to any programs of local or private agencies or organizations responsible for the handling of public funds;

(d) He may request any information or assistance necessary for carrying out the duties and responsibilities of his office from any state or local government agency or private agency that handles public funds. He shall have direct and prompt access to any of these agencies, and can require full cooperation of all employees within the agency;

(e) He shall have full access to the grand jury of any county in which he is conducting an investigation, for the purpose of conducting an investigation, or presenting an investigation for consideration by the grand jury of a criminal indictment. The inspector general shall possess the same authority with regard to a grand jury as is now given to the Commonwealth's attorney, but his powers shall be limited to the investigations authorized by subsections 1 to 7 of this section;

(f) He may require that state and local agencies conducting investigations coordinate those investigations with him when those investigations are within his authority as provided for in subsections 1 to 7 of this section; and

(g) He may compel the attendance of witnesses and the production of evidence by subpoena enforceable in the Circuit Court of the county in which the witness resides, or the evidence is located, or suspected to be located.

(4) The inspector general may initiate an investigation:

(a) Upon information or complaints from any public employee regarding criminal or unauthorized activity;

(b) Upon request of a concerned citizen, legislative, executive, or judicial officer, or grand jury; or

(c) Upon his own initiative.

(5) The inspector general shall report:

(a) To the Attorney General and Commissioner of State Police on a regularly scheduled basis to be determined by the Attorney General. The report shall cover all complaints received during the reporting period, investigations conducted, and the results of those investigations; and

(b) To the Governor and the Legislative Research Commission not less than every six (6) months on the following:

1. All concluded investigations, concluded and otherwise, and the results thereof; and

2. All continuing investigations, except when the Attorney General, Commissioner of State Police, and the inspector general unanimously agree that reporting would be detrimental to the investigation.

(6) All reports and complaints received by the inspector general shall be fully investigated, and in the event of a termination of an investigation for any reason, a written report shall be made setting forth the results of the investigation, and the reasons for the termination of the investigation.

(7)(a) All reports to the Governor and to the Legislative Research Commission shall be confidential for sixty (60) days, after which time they shall be public records.

(b) The provisions of subparagraph (a) of this subsection to the contrary notwithstanding, public disclosure of information provided to the Governor or to the Legislative Research Commission shall not be made when the disclosure is specifically prohibited by any other provision of law, or when there is an ongoing criminal investigation.

(8) Upon the effective date of this section, the Interim Joint Committee on Appropriations and Revenue shall study the funding requirements necessary to adequately fund the office of inspector general and provide an analysis to the 1994 regular session of the General Assembly."; and

On page 148, line 5, by changing "70" to "71"; and

On page 148, line 10, by changing "71" to "72"; and

On page 148, line 14, by changing "72" to "73"; and

On page 148, line 17, by changing "73" to "74"; and

On page 149, line 14, by changing "74" to "75"; and

On page 151, line 2, by changing "75" to "76"; and

On page 151, line 12, by changing "76" to "77"; and

On page 152, line 17, by changing "72" to "73"; and

On page 153, line 23, by changing "76" to "77"; and

On page 153, line 23, by changing "69" to "70" and "74" to "75"; and

On page 153, line 26, by changing "76" to "77"; and

On page 154, line 16, by changing "77" to "78".

Floor Amendment No. 46 to the House Committee Substitute to **SB** 7, by Representative Heleringer:

Amend printed copy of **SB** 7/HCS on page 64, line 25, after the period, by inserting "***Each course shall be designed for approval by professional organizations for continuing education credits which those organizations may require.***"; and

On page 66, line 5, after the period, by inserting "***Each seminar shall be designed for approval by professional organizations for continuing education credits which those organizations may require.***".

Floor Amendment No. 47 to the House Committee Substitute to **SB** 7, by Representative Palumbo:

Amend printed copy of **SB** 7/HCS on page 25, line 10, by deleting "***, without***" and by inserting in lieu thereof the following: "***. As used in this paragraph, each source means the business entity and not the individual customer or client of the entity;***"; and

On page 25, by deleting lines 11 through 17 in their entirety.

Floor Amendment No. 48 to the House Committee Substitute to **SB** 7, by Representative Callahan:

Amend printed copy of **SB** 7/HCS on page 153, line 26, after "(1)" by deleting the remainder of the line and inserting in lieu thereof the following: "On July 1, 1993, Sections 52 to Section 58 shall become effective.

(2) The provisions of Sections 52 to 57 shall not apply to elections held in 1993 until January 1, 1994."; and

On page 154, by deleting lines 1 through 15 in their entirety.

Floor Amendment No. 49 to the House Committee Substitute to **SB** 7, by Representative Lear:

Amend printed copy of **SB** 7/HCS on page 13, line 15, following "***lobbyist***" to add "***, and in the case of a business other than a sole proprietorship or self-employed individual, it means the business entity, and not an individual officer, director, or employee thereof***".

Floor Amendment No. 50 to the House Committee Substitute to **SB 7**, by Representative Worthington:

Amend printed copy of **SB 7/HCS** on page 148, between lines 4 and 5, by inserting the following:

"Section 70. KRS 11A.010 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, or any legal entity through which business is conducted for profit;

(2) "Commission" means the Executive Branch Ethics Commission;

(3) "Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another;

(4) "Family" means spouse and children, as well as a person who is related to a public servant as any of the following, whether by blood or adoption: parent, brother, sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister;

(5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or anything of value, unless consideration of equal or greater value is received;

(6) "Income" means any money or thing of value received or to be received as a claim on future services, whether in the form of a fee, salary, expense allowance, forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other form of compensation or any combination thereof;

(7) "Officer" means all major management personnel in the executive branch of state government, including the secretary of the cabinet, the Governor's chief executive officers, cabinet secretaries, deputy cabinet secretaries, general counsels, commissioners, deputy commissioners, principal assistants, division directors, members and full-time chief administrative officers of the Parole Board, Board of Tax Appeals, Board of Claims, Public Service Commission, Worker's Compensation Board and its administrative law judges, the Occupational Safety and Health Review Commission, the State Board for Elementary and Secondary Education, the State Board for Adult and Technical Education, and any other management personnel with procurement authority;

(8) "Official duty" means any responsibility imposed on a public servant by virtue of his position in the state service;

(9) "Public servant" means:

(a) The Governor;

(b) The Lieutenant Governor;

(c) The Secretary of State;

(d) The Attorney General;

(e) The Treasurer;

(f) The Commissioner of Agriculture;

(g) The Superintendent of Public Instruction;

(h) The Auditor of Public Accounts;

(i) Each Railroad Commissioner; [~~and~~]

(j) All employees in the executive branch including officers as defined in subsection (7) of this section and merit employees; ***and***

(k) Any other person who, for compensation, acts or has acted as an agent of the state in negotiating or awarding a contract;

(10) "State agency" means every state office, department, division, board, commission, institution, public corporation, and authority within the executive branch;

(11) "Lobbyist" means any person employed as a legislative agent or legislative counsel to promote, oppose, or act with reference to any legislation which affects, or may affect, private pecuniary interests, as distinct from those of the whole people; and

(12) "Lobbyist's principal" means the entity in whose behalf the lobbyist promotes, opposes, or acts with reference to legislative action.

Section 71. KRS 11A.040 is amended to read as follows:

(1) No public servant, in order to further his own economic interests, or those of any other person, shall knowingly disclose or use confidential information acquired in the course of his official duties.

(2) No public servant shall knowingly receive, directly or indirectly, any interest or profit arising from the use or loan of public funds in his hands or to be raised through any state agency.

(3) No public servant shall knowingly act as a representative or agent for the Commonwealth or any agency in the transaction of any business with himself, or with any business in which he or a member of his family has any interest greater than five percent (5%) of the total value thereof.

(4) No public servant shall knowingly himself or through any business in which he owns or controls an interest of more than five percent (5%), or by any other person for his use or benefit or on his account, undertake, execute, hold, or enjoy, in whole or in part, any contract, agreement, lease, sale, or purchase made, entered into, awarded, or granted by any state agency. This provision shall not apply to a contract, purchase, or good faith negotiation made pursuant to KRS Chapter 416 relating to eminent domain or to agreements which may directly or indirectly involve public funds disbursed through entitlement programs.

(5) No public servant shall knowingly accept compensation, other than that provided by law for public servants, for performance of his official duties without the prior approval of the commission.

(6) No present or former public servant shall, within six (6) months following termination of his office or employment, ***or within a period not less than the term of the contracts or subcontracts in which he was directly involved during his tenure, whichever is longer,*** accept employment, compensation, or other economic benefit from any person or business that contracts or does business with the state in matters in which he was directly involved during his tenure. This provision shall not prohibit an individual from returning to the same business, firm, occupation, or profession in which he was involved prior to taking office or beginning his term of employment, provided that, for a period of six (6) months, he personally refrains from working on any matter in which he was directly involved in state government. This subsection shall not prohibit the performance of ministerial functions including, but not limited to, filing tax returns, filing applications for permits or licenses, or filing incorporation papers.

(7) A former public servant shall not act as a lobbyist or lobbyist's principal for a period of one (1) year after the latter of:

(a) The date of leaving office or termination of employment; or

(b) The date the term of office expires to which the public servant was elected.

(8) A former public servant shall not represent a person in a matter before a state agency in which the former public servant was directly involved, for a period of one (1) year after the latter of:

(a) The date of leaving office or termination of employment; or

(b) The date the term of office expires to which the public servant was elected."; and

By renumbering subsequent sections accordingly; and

On page 151, line 12, by changing "76" to "78"; and

On page 152, line 17, by changing "72" to "74"; and

On page 153, line 23, by changing "76" to "78" and changing "74" to "76".

Floor Amendment No. 51 to the House Committee Substitute to **SB 7**, by Representative Stumbo:

Amend printed copy of **SB 7/HCS** on page 36, line 16, by deleting "***, or as a fundraiser as defined in KRS 121.015***".

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Recess

Representative Stumbo moved that the House recess until 6:00 p.m. Agreed.

Floor Amendments (Continued)

Floor Amendment No. 52 to the House Committee Substitute to **SB 7**, by Representative Lear:

Amend printed copy of **SB 7/HCS** on page 33, line 1, following "***lobbying.***" to add the following:

"***The termination of the employment of a lobbyist shall not relieve him, or those dealing with him, of compliance with the prohibited acts sections of this code for the registration period specified in subsection (3) of this section.***"; and

On page 35, line 18, following "***lobbyist.***" to add:

"***The termination of the employment of a lobbyist shall not relieve the lobbyist or the lobbyist's principal, or those dealing with them, of compliance with the prohibited acts sections of this code for the registration period of the terminated lobbyist as specified in subsection (3) of section 15 of this Act.***".

Floor Amendment No. 53 to the House Committee Substitute to **SB 7**, by Representative Lear:

Amend printed copy of **SB 7/HCS** on page 122, line 23, following "***expenditures***" to insert the following:

"***including reimbursement for actual expenses,***"; and

On page 123, line 10, following "benefit" to insert the following:

"***, except for payment of the reasonable value of goods and services provided***".

Floor Amendment No. 54 to the House Committee Substitute to **SB 7**, by Representative Ford:

Amend printed copy of **SB 7/HCS** on page 7, line 7, by adding before the underlined comma, the words "***provided by the sponsoring entity***"; and

On page 7, line 10, by deleting the words "***, if the general membership***"; and

On page 7, line 11, by deleting the words "***of the group is invited***"; and

On page 138, line 11, by adding after the word "***in***" the words "***Sections 1 to 37 of***"; and

On page 138, line 12, by deleting the words "***which are***"; and

On page 138, on line 13, by deleting the words "***deductible under federal or state income tax laws,***"; and

On page 138, line 14, by adding after the word "***charitable***" the words "***, civic, or educational***".

Floor Amendment No. 55 to the House Committee Substitute to **SB 7**, by Representative Stumbo:

Amend printed copy of **SB 7/HCS** on page 148, after line 4, by inserting the following:

"SECTION 70. A NEW SECTION OF KRS CHAPTER 121.150 TO 121.220 IS CREATED TO READ AS FOLLOWS:

No candidate for the United States Senate shall spend any campaign funds in Kentucky which were carried over from one election cycle to another. For the purposes of this section, "election cycle" means the period between regular elections for the United States Senate seat the candidate is seeking."; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting “76” and inserting in lieu thereof “77”; and

On page 152, line 17, by deleting “72” and inserting in lieu thereof “73”; and

On page 153, line 23, by deleting “76” and inserting in lieu thereof “77”, and deleting “74” and inserting in lieu thereof “75”.

Floor Amendment No. 56 to the House Committee Substitute to **SB 7**, by Representative Todd:

Amend printed copy of **SB 7/HCS** on page 7, line 10, by deleting “***, if the general membership***”; and

On page 7, line 11, by deleting “***of the group is invited***”.

Floor Amendment No. 57 to the House Committee Substitute to **SB 7**, by Representative Lear:

Amend printed copy of **SB 7/HCS** on page 21, line 3, by adding after the word “***made***” the words “***under threat of or***”.

Floor Amendment No. 58 to the House Committee Substitute to **SB 7**, by Representative Coleman:

Amend printed copy of **SB 7/HCS** on page 61, line 5, after “***legislator***” by inserting “***or former legislator***” and by deleting “***, while a member of the***”; and

On page 61, line 6, by deleting “***General Assembly,***”.

Floor Amendment No. 59 to the House Committee Substitute to **SB 7**, by Representative Coleman:

Amend printed copy of **SB 7/HCS** on page 148, after line 4, by inserting the following:

“Section 70. KRS 121A.060 is amended to read as follows:

(1) In order to become a qualifying slate of candidates for the purpose of receiving a transfer from the fund in a primary or regular election, or both, a slate of candidates shall request certification from the registry in a form and in the manner which the registry shall prescribe by administrative regulations promulgated in accordance with this chapter.

(2) The registry shall immediately review the request of a slate of candidates for certification to receive a transfer from the fund. The request for certification shall include:

(a) A statement of intent accepting maximum expenditure limitations;

(b) A copy of the slate’s nomination papers;

(c) The financial reports filed by or on behalf of the slate of candidates as of the date of the request for certification which indicate that the slate of candidates has raised a threshold qualifying amount in individual qualifying contributions for a transfer from the fund at a two (2) for one (1) matching ratio. The threshold qualifying amount for a slate of candidates for Governor and Lieutenant Governor that elects to be eligible to receive a transfer from the fund in a primary election shall be six hundred thousand dollars ($600,000) in qualifying contributions. The minimum threshold qualifying amount for a slate of candidates for Governor and Lieutenant Governor in a regular election that elects to be eligible to receive a transfer from the fund shall be three hundred thousand dollars ($300,000) in qualifying contributions and the maximum threshold qualifying amount for a regular election shall be six hundred thousand dollars ($600,000) in qualifying contributions for any one (1) election. Not more than fifty percent (50%) of a threshold qualifying amount shall be received from residents of the same congressional district. ***No slate of candidates may accept, and*** no transfer from the fund shall be made for, qualifying contributions [~~which a slate of candidates may receive~~]in any one (1) election which in the aggregate exceed the maximum threshold qualifying amount unless a qualifying slate of candidates has been released from expenditure limitations pursuant to KRS 121A.080(4) or (5). The threshold qualifying amounts shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment in a year in which a Governor and Lieutenant Governor are elected not later than the filing deadline for the primary election; and

(d) Any other information reasonably necessary that is required by the registry.

(3) The registry shall certify whether a slate of candidates is eligible to receive a primary election transfer no later than seven (7) calendar days after the slate submits the required documentation.

(4) The registry shall certify whether a slate of candidates is eligible to receive a regular election transfer not later than seven (7) calendar days after the slate submits the required documentation; except that if the slate is required to take part in a primary election, the results of the primary election shall have been certified by the registry.

(5) A separate determination and certification shall be made for a primary and a regular election.

(6) The certification issued by the registry shall indicate:

(a) Whether a slate of candidates is eligible to receive a transfer; and

(b) The amount of fund transfers the slate of candidates is eligible to receive based on the amount of qualifying contributions that the slate has received at the time that it requests a transfer eligibility certification.

(7) A slate of candidates may make multiple requests for fund transfer eligibility certification in the course of a primary or regular election at the times and in the manner which the registry shall prescribe by administrative regulation.

(8) If a slate of candidates that has filed a statement of intent to accept a transfer is not eligible to receive a transfer, the certification shall:

(a) State the reasons why the slate of candidates is not eligible to receive a transfer; and

(b) What action, if any, the slate of candidates may take to qualify for a transfer.

(9) A slate of candidates may file with the registry a written request to review the determination of the registry no later than seven (7) calendar days after the date of certification. The registry shall issue a ruling not later than ten (10) days after receiving a request to review its determination.

(10) A slate of candidates denied certification by the registry may appeal an adverse ruling within twenty (20) days by filing a notice of appeal in the Court of Appeals in accordance with the Rules of Civil Procedure and the appeal of a ruling by the registry shall be advanced on the docket to permit a timely decision.

(11) No threshold qualifying amount shall be required for a slate of candidates participating in a runoff primary. A qualifying slate of candidates shall be certified to receive a fund transfer for the runoff primary, if one shall be held, upon the registry's certification that the qualifying slate of candidates received the highest or next highest number of votes for its party's nomination for Governor and Lieutenant Governor at the primary election or that a qualifying slate of candidates was determined by lot to be eligible to participate in a runoff primary pursuant to KRS 118.245(6).

(12) No qualifying slate of candidates seeking its party's nomination for Governor and Lieutenant Governor shall be eligible to receive transfers from the fund in a primary election unless at least one (1) additional slate of candidates seeking the same party's nomination for Governor and Lieutenant Governor in the primary election has received and deposited in its candidate campaign account funds in an amount not less than the threshold qualifying amount for the primary election as established in KRS 121A.060(2)(c). No qualifying slate of candidates seeking election to the offices of Governor and Lieutenant Governor in a regular election shall be eligible to receive transfers from the fund unless at least one (1) additional slate of candidates seeking election to the offices of Governor and Lieutenant Governor in the regular election has received and deposited in its candidate campaign account funds in an amount not less than the minimum threshold qualifying amount for the regular election as established in KRS 121A.060(2)(c).

Section 71. KRS 121A.080 is amended to read as follows:

(1) If the registry certifies that a qualifying slate of candidates is eligible to receive a transfer from the fund, the slate may submit a transfer entitlement voucher to the registry, complying with the procedures of subsection (7) of this section. A transfer entitlement voucher may document total qualifying contributions equal to six hundred thousand dollars ($600,000) for a primary election and not less than three hundred thousand dollars ($300,000) but not more than six hundred thousand dollars ($600,000) for a regular election for receipt of a fund transfer in an amount equal to twice the amount of qualifying contributions documented. A qualifying slate may submit multiple transfer entitlement vouchers as additional qualifying contributions are received in a regular election, but the maximum amount of fund transfers a slate may receive in a primary or regular election shall not exceed twice the amount of the maximum threshold qualifying amount, subject to the provisions of subsections (4) and (5) of this section.

(2) The fund transfer which a qualifying slate of candidates for Governor and Lieutenant Governor in a runoff primary may receive shall be three hundred thousand dollars ($300,000).

(3) The fund transfer amounts shall be increased or decreased in accordance with the consumer price index for all urban workers, and the registry shall make that adjustment annually, beginning in 1996, and in a year in which a Governor and Lieutenant Governor are elected not later than the filing deadline for the primary election. If the registry makes a finding of fact, after a public hearing of which all slates of candidates for Governor and Lieutenant Governor shall be notified, that the existing appropriations in the fund are insufficient to cover the anticipated fund transfers, the registry shall reduce the matching ratio to the ratio the registry determines so as not to exceed the amount of the fund. If the matching ratio is reduced for a primary election, it shall be applied retroactively to all transfers made to qualifying slates of candidates in the primary election. If the matching ratio is reduced for a regular election, it shall be applied retroactively to all transfers made to qualifying slates of candidates in the regular election.

(4) (a) If the registry makes a finding of fact, after a public hearing of which all slates of candidates for Governor and Lieutenant Governor shall be notified, that in the course of a primary election, runoff primary election, or regular election campaign a slate of candidates for Governor and Lieutenant Governor that has not accepted the provisions of this chapter has received contributions or made expenditures in excess of the expenditure limit as provided in KRS 121A.030(1), the registry shall certify that those slates of candidates that have elected to become eligible for fund transfers or may in the future elect to become eligible for fund transfers shall be released from expenditure limitations. Slates of candidates released from expenditure limitations in a primary or regular election shall continue to be eligible to receive transfers from the fund. A slate of candidates that is released from expenditure limitations in a runoff primary shall not be eligible for transfers from the fund in excess of three hundred thousand dollars ($300,000), but shall be eligible to accept qualifying contributions for the runoff primary;

(b) The registry shall conduct a public hearing within three (3) days after any report submitted to the registry by a campaign committee of a slate of candidates indicates that the slate of candidates has, or may have, received contributions or made expenditures in excess of the expenditure limits as provided in KRS 121A.030(1). The registry shall issue a ruling not later than seven (7) days after the public hearing; and

(c) A public hearing shall be conducted within three (3) days upon petition to the registry by a slate of candidates that, based upon its knowledge and belief, another slate of candidates has, or may have, received contributions in excess of the expenditure limitations as provided in KRS 121A.030(1). The registry shall issue a ruling not later than seven (7) days after the public hearing.

(5) Nothing in this section shall prevent any slate of candidates from notifying the registry in writing that its campaign committee has received contributions or made expenditures in excess of the expenditure limitations as provided in KRS 121A.030(1). In that case, no public hearing shall be held and the registry shall certify that those slates of candidates who have elected to become eligible for fund transfers or may in the future elect to become eligible for fund transfers for that election shall be released from expenditure limitations for that election and shall continue to be eligible to receive transfers from the fund if qualified by law.

(6) A slate of candidates shall establish a separate candidate campaign account for each primary, runoff primary, and regular election in which it participates. The unexpended balance of contributions and fund transfers in a candidate campaign account of a slate of candidates which remains after all financial obligations of the particular election for which the account is established have been satisfied shall be forwarded to the registry for deposit in the fund when the account is closed***; except that a qualifying slate of candidates nominated by its party at the primary election which met the threshold qualifying amount for the primary but did not receive a transfer from the fund for the primary may carry the unexpended balance of qualifying contributions in the slate's campaign account after the primary over to the slate's regular election campaign account and those funds shall count toward meeting the threshold qualifying amount for the regular election***. The payment to the fund shall be made not later than ten (10) working days after the candidate campaign account for a particular election is closed. ***Subject to the foregoing exemption,*** funds in the candidate campaign account of a slate of candidates shall be expended only for expenses incurred in the particular election for which the account is established and shall not be used to pay expenses incurred in any other election or for any other purpose.

(7) To receive fund transfers for which it is eligible, each qualifying slate of candidates shall submit to the registry at the times and in the form and manner the registry may require, a transfer entitlement voucher. The voucher shall include the full name of all persons making a contribution to the campaign committee of the slate of candidates together with the date, the exact amount of the contribution, the specific address of the contributor, the congressional district in which the contributor resides, the occupation and employer of the contributor and the spouse of the contributor, or, if the contributor or the spouse of contributor is self-employed, the name under which he is doing business.

(8) Within three (3) working days of the receipt of the voucher, the registry shall:

(a) Make a determination, according to the procedures the registry may establish by administrative regulation, whether each contribution enumerated on the voucher is consistent with the provisions of this chapter;

(b) Certify for payment to the qualifying slate of candidates the amount of fund transfer for which it is eligible; and

(c) Promptly upon certification, issue a warrant on the fund for a transfer to the qualifying slate of candidates or its authorized treasurer in the amount certified by the registry.

(9) For the purpose of financing primary election campaigns, the registry shall make no transfer to a qualifying slate of candidates entitled to transfers from the fund earlier than January 1 of a year in which the Governor and Lieutenant Governor are elected.

(10) Transfers from the fund for a regular election campaign shall not be made earlier than the date the results of the primary election preceding the regular election of a year in which the Governor and Lieutenant Governor are elected are certified. If a qualifying slate of candidates is unopposed in a primary election, or has no opposition that has received contributions of not less than the threshold qualifying amount for the primary election, the registry shall make no transfer to that slate from the fund for the primary election. If a qualifying slate of candidates is unopposed in a regular election, or has no opposition that has received contributions of not less than the minimum threshold qualifying amount for the regular election, the registry shall make no transfer to that slate from the fund for the regular election.

(11) If a vacancy occurs in a slate of candidates before the ballots are printed for the primary election because of death, disqualification to hold the office sought, or severe disabling condition which arose after the slate formed a campaign committee, the remaining member of the slate may designate a replacement for the vacant candidate or change the composition of the slate and designate a running mate on forms filed with the registry not later than the deadline for printing primary election ballots, but only following certification to the remaining candidate by the Secretary of State that a vacancy exists for a reason specified in this subsection. If a vacancy occurs in a slate of candidates after the ballots are printed for the primary election, the remaining member of the slate may designate a replacement for the vacant candidate or change the composition of the slate and designate a running mate on forms filed with the registry prior to the primary election, but only following certification to the remaining candidate by the Secretary of State that a vacancy exists for a reason specified in this subsection. If a replacement for a vacant candidate is made after the ballots are printed for the primary election because of death, disqualification to hold the office sought, or severe disabling condition which arose after the slate formed a campaign committee, notices informing the voters of the change in the composition of the slate shall be posted at each precinct polling place.

(12) The provisions of KRS 118.105 shall apply to vacancies occurring in the nomination of a qualifying slate of candidates.

(13) If during the course of a primary or regular election, a qualifying slate of candidates withdraws, is otherwise removed from the ballot, becomes the only slate of candidates for a party nomination or election on the ballot, or if both candidates on the slate die, the registry shall certify and pay on vouchers previously submitted by that slate, but any subsequent vouchers submitted by that slate shall not be certified nor shall transfers be made.

(14) The registry shall not certify any contribution made to a qualifying slate of candidates entitled to transfers from the fund, which, when added to other contributions made by the same contributor to the slate in connection with the regular election and in connection with the general election, violates the provisions of KRS 121A.050 or 121.150.

(15) The registry shall perform a continuing audit of all slates of candidates for Governor and Lieutenant Governor to ensure that they are in compliance with this chapter and the election laws of the Commonwealth."; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting "76" and inserting in lieu thereof "78; and

On page 152, line 17, by deleting "72" and inserting in lieu thereof "74"; and

On page 153, line 23, by deleting "76" and inserting in lieu thereof "78" and by deleting "74" and inserting in lieu thereof "76".

Floor Amendment No. 60 to the House Committee Substitute to **SB 7**, by Representative Rasche:

Amend printed copy of **SB 7/HCS** on page 96, line 23, after “person” by placing brackets around and striking through “, permanent committee,”; and

On page 96, line 24, after “election” by inserting, “***nor more than two hundred fifty dollars ($250) from any permanent committee in any one (1) election***”; and

On page 97, line 4, after “person” by placing brackets around and striking through “, permanent committee”; and

On page 97, line 6, after “($500)” by inserting “***, and no permanent committee shall contribute more than two hundred fifty dollars ($250).***; and

On page 102, by deleting lines 17 through 26 in their entirety; and

On page 103, by deleting lines 1 through 20 in their entirety; and

On page 148, by deleting lines 10 through 13 in their entirety; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting “76” and inserting in lieu thereof “75”; and

On page 152, line 17, by deleting “72” and inserting in lieu thereof “71”; and

On page 153, line 23, by deleting “76” and inserting in lieu thereof “75” and by deleting “74” and inserting in lieu thereof “73”; and

On page 154, line 3, by deleting “and Section 53(25)”.

Floor Amendment No. 61 to the House Committee Substitute to **SB 7**, by Representative Butler:

Amend printed copy of **SB 7/HCS** on page 96, line 23, after “person” by placing brackets around and striking through “, permanent committee,”; and

On page 96, line 24, after “election” by inserting, “***nor more than two hundred fifty dollars ($250) from any permanent committee in any one (1) election***”; and

On page 97, line 4, after “person” by placing brackets around and striking through “, permanent committee”; and

On page 97, line 6, after “($500)” by inserting “***, and no permanent committee shall contribute more than two hundred fifty dollars ($250).***; and

On page 102, by deleting lines 17 through 26 in their entirety; and

On page 103, by deleting lines 1 through 20 in their entirety; and

On page 148, by deleting lines 10 through 13 in their entirety; and

By renumbering the remaining sections accordingly; and

On page 151, line 12, by deleting “76” and inserting in lieu thereof “75”; and

On page 152, line 17, by deleting “72” and inserting in lieu thereof “71”; and

On page 153, line 23, by deleting “76” and inserting in lieu thereof “75” and by deleting “74” and inserting in lieu thereof “73”; and

On page 154, line 3, by deleting “and Section 53(25)”.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Recess

Representative Stumbo moved that the House recess until 7:00 p.m. Agreed.

Floor Amendments (Continued)

Floor Amendment No. 62 to the House Committee Substitute to **SB** 7, by Representative Lear:

Amend printed copy of **SB** 7/HCS on page 8, line 21, after the underlined semicolon, by inserting "***and***"; and

On page 8, line 25, by deleting "***; and***" and inserting in lieu thereof "."; and

On page 8, by deleting line 26 in its entirety; and

On page 9, by deleting lines 1 through 4 in their entirety.

Floor Amendment No. 63 to the House Committee Substitute to **SB** 7, by Representative Lear:

Amend printed copy of **SB** 7/HCS on page 33, line 1, following "***lobbying.***" to add the following:

"***The termination of the employment of a lobbyist shall not relieve him, or those dealing with him, of compliance with the prohibited acts sections of this code for the registration period specified in subsection (3) of this section.***"; and

On page 35, line 18, following "***lobbyist.***" to add:

"***The termination of the employment of a lobbyist shall not relieve the lobbyist or the lobbyist's principal, or those dealing with them, of compliance with the prohibited acts sections of this code for the registration period of the terminated lobbyist as specified in subsection (3) of section 15 of this Act.***".

Floor Amendment No. 64 to the House Committee Substitute to **SB** 7, by Representative Lear:

Amend printed copy of **SB** 7/HCS on page 8, line 20, by deleting "***Five***" and inserting "***Ten***" in lieu thereof, and by deleting "***($5,000)***" and inserting "***($10,000)***" in lieu thereof; and

On page 23, line 10, by deleting "***five***" and inserting in lieu thereof "***ten***"; and

On page 23, line 11, by deleting "***($5,000)***" and inserting in lieu thereof "***($10,000)***".

Floor Amendment No. 65 to the House Committee Substitute to **SB** 7, by Representative Rapier:

Amend printed copy of **SB** 7/HCS on page 55, after line 2 but before line 3, by inserting the following:

"***(3) A complainant shall not make public that he has filed a complaint until the commission publicly announces the existence of the complaint. If a complainant violates this subsection, the commission may summarily dismiss the complaint and impose against the complainant penalties pursuant to Section 31 and costs including reasonable attorney fees incurred by the person alleged to have committed the violation.***"; and

On page 55, line 3, by changing "***(3)***" to "***(4)***"; and

On page 55, line 15, by changing "***(4)***" to "***(5)***"; and

On page 55, line 23, by changing "***(5)***" to "***(6)***"; and

On page 55, line 26, by changing "***(6)***" to "***(7)***"; and

On page 56, line 6, by changing "***(7)***" to "***(8)***"; and

On page 56, line 13, by changing "***(8)***" to "***(9)***"; and

On page 56, line 17, by inserting after "***investigation.***" the following: "***The fact that a preliminary investigation is under way shall not be disclosed to the public.***"; and

On page 56, line 18, by changing "***(9)***" to "***(10)***".

Floor Amendment No. 66 to the House Committee Substitute to **SB** 7, by Representative Sheehan:

Amend printed copy of **SB** 7/HCS on page 69, line 26, by deleting "***has the same meaning as that given***" and inserting in lieu thereof the following: "***means those persons who have officially filed candidacy papers or who have been nominated by their political party pursuant to KRS 118.105, 118.115, or 118.325 for any of the offices enumerated in subsections (9)(a) to (i) of this section.***"; and

On page 70, by deleting line 1.

Floor Amendment No. 67 to the House Committee Substitute to **SB** 7, by Representative Sheehan:

Amend printed copy of **SB** 7/HCS on page 103, line 12, by deleting "***seven (7)***" and inserting in lieu thereof "***twenty (20)***"; and

On page 103, line 16, by deleting "***seven (7)***" and inserting in lieu thereof "***twenty (20)***".

Floor Amendment No. 68 to the House Committee Substitute to **SB** 7, by Representative Stumbo:

Amend printed copy of **SB** 7/HCS on page 98, line 10, by inserting a period after "year" and by deleting the rest of the line; and

On page 98, by deleting lines 11 and 12 in their entirety.

Floor Amendment No. 69 to the House Committee Substitute to **SB** 7, by Representative Bowling:

Amend printed copy of **SB** 7/HCS on page 26, line 10, after "***goods***" by deleting "***;***" and inserting in lieu thereof "***. As used in this paragraph, the term "consumer goods" has the same meaning as in KRS 355.9-109;***".

Floor Amendment No. 70 to the House Committee Substitute to **SB** 7, by Representative Stumbo:

Amend printed copy of **SB** 7/HCS on page 20, by deleting lines 13 through 16 in their entirety; and

On page 20, lines 17, 19, and 22, by changing "(b)" to "(a)", "(c)" to "(b)", and "(d)" to "(c)".

Floor Amendment No. 71 to the House Committee Substitute to **SB** 7, by Representative Sheehan:

Amend printed copy of **SB** 7/HCS on page 32, by deleting lines 6 through 16 in their entirety and by inserting in lieu thereof:

"***(g) The cumulative compensation paid or promised by each lobbyist's principal for engaging in lobbying during the registration period or portion thereof remaining, prorated to reflect the time the lobbyist was engaged to lobby; and***"; and

On page 40, by deleting lines 14 through 25 in their entirety and by inserting in lieu thereof:

"***(e) The cumulative compensation paid or promised to lobbyists pro-rated to reflect the time the lobbyists were engaged in lobbying during the period covered by the statement;***".

Floor Amendment No. 72 to the House Committee Substitute to **SB** 7, by Representative Sheehan:

Amend printed copy of **SB** 7/HCS on page 6, line 21, following "***education***" by inserting "***, provided that the cost thereof is covered by the state or local government entity or state institution of higher education***"; and

On page 6, line 25, by deleting "***or***" and inserting an underlined comma in lieu thereof, and following "***reimbursed***" by inserting "***, raised, or obtained***"; and

On page 6, line 26, by deleting "***of***" and inserting "***for***" in lieu thereof; and

On page 7, line 1, by deleting the first "***of***" and inserting "***for***" in lieu thereof, and following "***consumed***" by inserting "***at, and funds provided for conducting***" and by deleting "***at***"; and

On page 19, line 2, by deleting "***thing of value***" and inserting "***campaign contribution***" in lieu thereof; and

On page 19, line 14, after "***addition***" by inserting "***upon conviction or a finding of ethical misconduct***" and following "***court***" by inserting "***or commission***" and by deleting "***upon conviction***"; and

On page 19, line 15, by deleting "***defendant***" and inserting "***violator***" in lieu thereof; and

On page 19, line 24, after "***revoked***" by inserting "***by the commission***"; and

On page 21, line 3, following "***made***" by inserting "***under the threat of, or***"; and

On page 25, line 1, by inserting a comma after "***legislator***" by deleting "***and***" and after "***candidate***" by inserting "***, commission member, and commission staff***"; and

On page 28, line 10, by deleting "***legally***"; and

On page 28, line 12, by deleting "***or***"; and

On page 28, line 14, by deleting the underlined period and inserting "***; and***" in lieu thereof; and

On page 28, between lines 14 and 15, by inserting "***(5) A gift or loan from a wholly-owned family business.***"; and

On page 29, line 20, by deleting "***, except if an***"; and

On page 29, by deleting line 21 in its entirety; and

On page 29, line 22, by deleting "***(b) of subsection (1) of this section***"; and

On page 30, line 1, by deleting "***Class D felony***" and inserting "***Class A misdemeanor***" in lieu thereof; and

On page 30, line 4, by deleting "***Class D felony***" and inserting "***Class A misdemeanor***" in lieu thereof; and

On page 30, line 8, by deleting "***ethical misconduct***" and inserting "***a Class A misdemeanor***" in lieu thereof; and

On page 31, at the end of line 8, by inserting "***The commission may grant a reasonable extension of time for filing a registration statement for good cause shown.***"; and

On page 33, line 20, by deleting "***upon***"; and

On page 33, line 21, by deleting "***conviction***" and by deleting "***court***" and inserting "***commission***" in lieu thereof; and

On page 34, line 2, by deleting "***subject to the penalties of this***" and inserting "***guilty of a Class A misdemeanor***" in lieu thereof; and

On page 34, line 3, by deleting "***subsection***"; and

On page 34, at the end of line 9, by inserting "***The commission may grant a reasonable extension of time for the filing of a registration statement of a lobbyist's principal for good cause shown.***"; and

On page 35, line 22, following "***conviction***" by inserting "***or a finding of ethical misconduct***" and following "***prohibited***" by inserting "***by the court or commission***"; and

On page 35, line 26, by deleting "***subject***"; and

On page 36, by deleting line 1 in its entirety and inserting "***guilty of a Class A misdemeanor.***" in lieu thereof; and

On page 36, line 6, following "***A***" by inserting "***registered***"; and

On page 36, line 15, following "***A***" by inserting "***registered***"; and

On page 36, line 19, following "***A***" by inserting "***registered***"; and

On page 37, line 2, following "***A***" by inserting "***registered***"; and

On page 38, line 10, following "***A***" by inserting "***registered***"; and

On page 38, line 19, following "***a***" by inserting "***registered***"; and

On page 38, line 20, following "***the***" by inserting "***registered***"; and

On page 38, line 25, following "***court***" by inserting "***or commission***"; and

On page 38, line 26, by inserting "***or commission***" after "***court***"; and

On page 39, line 22, after "***termination.***" by inserting the following: "***The commission may grant a reasonable extension of time for filing a report for good cause shown.***"; and

On page 40, line 16, after "***considerations***" by inserting the following: "***, for engaging in lobbying during the registration period***"; and

On page 43, lines 6, 9, and 12, by deleting "***Class D felony***" and inserting "***Class A misdemeanor***" in lieu thereof; and

On page 43, line 7, by deleting "***initial***"; and

On page 43, line 8, by deleting "***filing***" and inserting "***applicable due date specified under subsection (1) of this section***" in lieu thereof; and

On page 43, line 16, by deleting "***shall***" and inserting "***may***" in lieu thereof; and

On page 44, line 1, after "***party***" by inserting "***in the state***"; and

On page 44, line 23, after "***party***" by inserting "***in the state***"; and

On page 45, line 13, by inserting "***(1)***" between "***one***" and "***for***"; and

On page 46, line 1, by inserting after "***commission***" the following: "***or in his capacity as an elected member of the Court of Justice or as a special judge***"; and

On page 46, line 9, by deleting "***A***" and inserting in lieu thereof "***Except as provided in subsection (4) of this section, a***"; and

On page 50, line 2, after "***lobbyist***" by inserting "***and lobbyist's principal***"; and

On page 52, lines 17 and 18, by deleting "***January 31***" and inserting "***February 15***" in lieu thereof; and

On page 52, line 20, by deleting "***not violate***" and inserting "***be subject to***" in lieu thereof, and, after "***provisions***" by inserting "***and penalties***"; and

On page 52, line 21, by deleting "***Section 17***" and inserting "***subsection (8) of Section 19***" in lieu thereof; and

On page 52, by deleting lines 22 and 23 in their entirety; and

On page 57, line 15, by deleting "***shall***" and inserting "***may***" in lieu thereof; and

On page 61, line 20, by deleting "***or***"; and

On page 61, line 21, after "***principal***" by inserting "***, commission member, or commission staff***"; and

On page 61, line 25, by deleting "***Publicly or privately***" and by capitalizing the first "***r***" in "***reprimand***"; and

On page 150, by deleting lines 12 and 13 in their entirety.

Floor Amendment No. 73 to the House Committee Substitute to **SB 7**, by Representative Rapier:

Amend printed copy of **SB 7/HCS** on page 137, line 11, after "***by***" by deleting "***or in support of***"; and

On page 137, line 12, by deleting "***or any member of the leadership of***"; and

On page 137, line 13, by deleting "***either the House of Representatives or Senate***".

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Adjournment

Representative Fox moved that the House adjourn until 10:00 a.m., Friday, February 12, 1993.

The motion that the House adjourn until 10:00a.m., Friday, February 12, 1993 was adopted by voice vote.

FRIDAY, FEBRUARY 12, 1993

TENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Dr. Gary Straub, First Christian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative Lyne.

Representative McElroy moved that the absent member be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 11, 1993 be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 34, by Representatives Farley and Adkins: A RESOLUTION in honor of Mrs. Duncan's fifth grade class at Oakview Elementary School for their patriotism.

HR 35, by Representatives Coleman and Clarke: A RESOLUTION adjourning the House of Representatives in memory of W. A. "Pete" Wickliffe.

HR 36, by Representative Hancock: A RESOLUTION in loving memory of Joe A. Roehrig of Louisville, Kentucky.

Report on Enrolled Bills

The Committee on Enrollment reported that **HCR 7** has been examined and found correctly enrolled. Said Resolution was read at length, compared and signed in open session by the Speaker, and ordered delivered to the Senate. (Time - 10:04 a.m.)

HCR 7 delivered to the Senate, signed by the President. Delivered to the Governor on February 12, 1993 at 1:17 p.m.

Orders of the Day

SB 7, with House Committee Substitute and Floor Amendments attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Stumbo moved the adoption of the House Committee Substitute to **SB 7**. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 22 to the House Committee Substitute to **SB 7**. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 49 to the House Committee Substitute to **SB 7**. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 53 to the House Committee Substitute to **SB 7**. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 57 to the House Committee Substitute to **SB 7**. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 63 to the House Committee Substitute to **SB 7**. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 64 to the House Committee Substitute to **SB 7**. Agreed.

Representative Sheehan moved the adoption of Floor Amendment No. 72 to the House Committee Substitute to **SB 7**. Agreed.

Representative Sheehan moved the adoption of Floor Amendment No. 67 to the House Committee Substitute to **SB 7**. Agreed.

Representative Sheehan moved the adoption of Floor Amendment No. 66 to the House Committee Substitute to **SB** 7. Agreed.

Representative Sheehan moved the adoption of Floor Amendment No. 43 to the House Committee Substitute to **SB** 7. Agreed.

Representative Bowling moved the adoption of Floor Amendment No. 69 to the House Committee Substitute to **SB** 7. Agreed.

Representative Callahan moved the adoption of Floor Amendment No. 18 to the House Committee Substitute to **SB** 7. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 71 to the House Committee Substitute to **SB** 7. Agreed.

Representative Reinhardt moved the adoption of Floor Amendment No. 26 to the House Committee Substitute to **SB** 7. Agreed.

Representative Long moved the adoption of Floor Amendment No. 23 to the House Committee Substitute to **SB** 7.

Representative Lindsay inquired if Floor Amendment No. 23 to the House Committee Substitute to **SB** 7 was in compliance with the rules of the House.

The Speaker ruled that Floor Amendment No. 23 to the House Committee Substitute to **SB** 7 was in order.

Representative Napier requested that a call of the roll be taken on Floor Amendment No. 23 to the House Committee Substitute to **SB** 7.

Representative Mason raised a point of order regarding Floor Amendment No. 23 to the House Committee Substitute to **SB** 7 complies with House Rule 52.

The Speaker ruled against the point of order.

On the roll call the vote was yeas 43—Adams, Adkins, Bentley, Bowling, Burch, L. Clark, P. Clark, Coleman, Collins, Curd, Cyrus, Deskins, Donnermeyer, Farrow, Fox, Gray, J. Harper, Hatcher, Hourigan, Johnson, Lear, Lee, LeMaster, Lewis, Lindsay, Little, Long, Maggard, Morris, Nesler, Northup, Palumbo, Pearman, Rasche, Riner, Scorsone, Shacklette, Sheehan, B. Smith, Stumbo, Ward, Wayne, Yates. Nays 53—Ackerson, Allen, Altman, Arnold, Ballard, Barrows, Blandford, Brown, Bruce, Bryant, Buis, Butler, Callahan, Cave, Clarke, Crenshaw, Damron, DeWeese, Farley, Ford, French, Gedling, Gee, Geveden, Graham, K. Harper, Heleringer, Jensen, Keith, Kerr, Lile, Mason, McElroy, Moberly, Mullinix, Napier, Noland, Nunn, Reinhardt, Richards, Ridley, Riggs, Sanders, R. Smith, T. Smith, Stacy, Stengel, Todd, Trapp, Turner, Walton, Worthington, Zimmerman.

Floor Amendment No. 23 to the House Committee Substitute to **SB** 7 was rejected.

Representative Ford moved the adoption of Floor Amendment No. 54 to the House Committee Substitute to **SB** 7. Agreed.

Representative Zimmerman moved the adoption of Floor Amendment No. 36 to the House Committee Substitute to **SB** 7. Agreed.

Representative Lindsay moved the adoption of Floor Amendment No. 28 to the House Committee Substitute to **SB** 7. Agreed.

Representative Lindsay moved that Floor Amendment No. 29 to the House Committee Substitute to **SB** 7 be withdrawn from consideration at this time.

Representative Lindsay moved the adoption of Floor Amendment No. 32 to the House Committee Substitute to **SB** 7. Agreed.

Representative Lindsay moved the adoption of Floor Amendment No. 33 to the House Committee Substitute to **SB** 7.

Representative Stumbo stated that he yielded to Representative Lindsay for a motion on Floor Amendment No. 31 to the House Committee Substitute to **SB** 7, and that the motion to adopt Floor Amendment No. 33 to the House Committee Substitute to **SB** 7 was not in order.

Representative Northup moved the adoption of Floor Amendment No. 13 to House Committee Substitute to **SB 7**. Agreed.

Representative Riggs moved the adoption of Floor Amendment No. 15 to the House Committee Substitute to **SB 7**. Agreed.

Representative Worthington moved the adoption of Floor Amendment No. 50 to the House Committee Substitute to **SB 7**. Agreed.

Representative Rapier moved the adoption of Floor Amendment No. 73 to the House Committee Substitute to **SB 7**. Agreed.

Representative Lear moved the adoption of Floor Amendment No. 62 to the House Committee Substitute to **SB 7**. Agreed.

Representative Stumbo moved the adoption of Floor Amendment No. 68 to the House Committee Substitute to **SB 7**. Agreed.

Representative Stumbo moved that **SB 7**, by way of Committee Substitute as amended, be passed.

Representative Coleman moved the adoption of Floor Amendment No. 58 to the House Committee Substitute to **SB 7**.

Representative Farrow inquired if Floor Amendment No. 58 to the House Committee Substitute to **SB 7** was in order.

Representative Stumbo stated there was a drafting error in Floor Amendment No. 58 to the House Committee Substitute to **SB 7** that could easily be corrected.

The Speaker ruled that Floor Amendment No. 58 to the House Committee Substitute to **SB 7** was in order.

Representative Coleman moved the adoption of Floor Amendment No. 58 to the House Committee Substitute to **SB 7**. Rejected.

Representative Jensen moved the adoption of Floor Amendment No. 2 to the House Committee Substitute to **SB 7**.

On the roll call the vote was yeas 27—Ackerson, Allen, Altman, Bryant, Buis, Cave, DeWeese, Farley, Ford, Gee, J. Harper, K. Harper, Heleringer, Jensen, Keith, Lile, Mullinix, Noland, Northup, Nunn, Reinhardt, Sanders, Smith, T., Todd, Turner, Walton, Zimmerman. Nays 69—Adams, Adkins, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Bruce, Burch, Butler, Callahan, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Donnermeyer, Farrow, Fox, French, Gedling, Geveden, Graham, Gray, Hancock, Hatcher, Hourigan, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Lindsay, Long, Maggard, Mason, McElroy, Moberly, Morris, Nelson, Nesler, Palumbo, Pearman, Rapier, Rasche, Richards, Ridley, Riggs, Riner, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne, Worthington.

Floor Amendment No. 2 to the House Committee Substitute to **SB 7** was rejected.

Representative Hatcher moved the adoption of Floor Amendment No. 16 to the House Committee Substitute to **SB 7**. Rejected.

Representative Ackerson moved the adoption of Floor Amendment No. 10 to the House Committee Substitute to **SB 7**.

On the roll call the vote was yeas 35—Ackerson, Allen, Altman, Barrows, Bryant, Buis, Cave, Coleman, DeWeese, Farley, Ford, Gee, Graham, J. Harper, K. Harper, Heleringer, Jensen, Keith, Lile, Maggard, Moberly, Mullinix, Napier, Noland, Northup, Nunn, Palumbo, Reinhardt, Riner, Sanders, Smith, T., Todd, Turner, Walton, Zimmerman. Nays 63—Adams, Adkins, Arnold, Ballard, Bentley, Blandford, Bowling, Brown, Bruce, Burch, Butler, Callahan, L. Clark, P.Clark, Clarke, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, Donnermeyer, Farrow, Fox, French, Gedling, Geveden, Gray, Hancock, Hatcher, Hourigan, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Little, Long, Mason, McElroy, Morris, Nelson, Nesler, Pearman, Rapier, Rasche, Richards, Ridley, Riggs, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne, Worthington, Yates.

Floor Amendment No. 10 to the House Committee Substitute to **SB 7** was rejected.

Representative Heleringer moved the adoption of Floor Amendment No. 14 to the House Committee Substitute to **SB 7**. Agreed.

Representative Heleringer moved the adoption of Floor Amendment No. 25 to the House Committee Substitute to **SB** 7.

Representative Lindsay expressed the opinion that Floor Amendment No. 25 to the House Committee Substitute to **SB** 7 was unconstitutional because of its broad coverage.

On the roll call the vote was yeas 26—Ackerson, Altman, Barrows, Bryant, Buis, Cave, P. Clark, DeWeese, Ford, Gee, J. Harper, Heleringer, Jensen, Keith, Lile, Moberly, Mullinix, Napier, Noland, Reinhardt, Riner, Sanders, Todd, Turner, Walton, Zimmerman. Nays 68—Adams, Adkins, Arnold, Bentley, Blandford, Bowling, Brown, Burch, Butler, Callahan, L. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, Donnermeyer, Farrow, Fox, French, Gedling, Geveden, Graham, Gray, Hancock, K. Harper, Hatcher, Hourigan, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Lindsay, Little, Long, Maggard, Mason, McElroy, Morris, Nelson, Nesler, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Richards, Ridley, Riggs, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne, Worthington, Yates.

Floor Amendment No. 25 to the House Committee Substitute to **SB** 7 was rejected.

Representative Allen moved the adoption of Floor Amendment No. 42 to the House Committee Substitute to **SB** 7.

On the roll call the vote was yeas 60—Ackerson, Allen, Altman, Arnold, Ballard, Bentley, Blandford, Bruce, Bryant, Buis, Cave, P. Clark, Collins, Cyrus, Damron, Deskins, DeWeese, Farley, Farrow, Ford, Gee, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lile, Lindsay, Little, Mason, McElroy, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Nunn, Pearman, Rasche, Reinhardt, Ridley, Sanders, R. Smith, T. Smith, Stacy, Stengel, Todd, Turner, Walton, Ward, Worthington, Zimmerman. Nays 35—Adams, Adkins, Barrows, Bowling, Burch, Callahan, L. Clark, Clarke, Coleman, Crenshaw, Curd, Donnermeyer, Fox, French, Geveden, Lear, Lee, LeMaster, Lewis, Long, Maggard, Moberly, Palumbo, Rapier, Richards, Riggs, Riner, Scorsone, Shacklette, Sheehan, B. Smith, Stumbo, Trapp, Wayne, Yates.

Floor Amendment No. 42 to the House Committee Substitute to **SB** 7 was adopted.

Representative Riner moved the adoption of Floor Amendment No. 21 to the House Committee Substitute to **SB** 7.

Representative Farrow inquired if Floor Amendment No. 21 was germane to the House Committee Substitute to **SB** 7.

The Speaker ruled that Floor Amendment No. 21 was not germane to the House Committee Substitute to **SB** 7.

Representative Jensen moved the adoption of Floor Amendment No. 3 to the House Committee Substitute to **SB** 7.

On the roll call the vote was yeas 29—Ackerson, Allen, Altman, Bryant, Buis, Cave, DeWeese, Farley, Ford, Gee, J. Harper, K. Harper, Heleringer, Jensen, Keith, Lile, Moberly, Mullinix, Napier, Noland, Northup, Nunn, Reinhardt, Sanders, T. Smith, Todd, Turner, Walton, Zimmerman. Nays 65—Adams, Adkins, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Burch, Butler, Callahan, L. Clark, P. Clark, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deksins, Donnermeyer, Farrow, Fox, French, Gedling, Geveden, Graham, Gray, Hancock, Hatcher, Hourigan, Johnson, Kerr, Lee, LeMaster, Lewis, Little, Long, Maggard, Mason, McElroy, Morris, Nelson, Nesler, Palumbo, Pearman, Rapier, Rasche, Richards, Riggs, Riner, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne, Worthington, Yates.

Floor Amendment No. 3 to the House Committee Substitute to **SB** 7 was rejected.

Representative Jensen moved the adoption of Floor Amendment No. 4 to the House Committee Substitute to **SB** 7.

On the roll call the vote was yeas 30—Ackerson, Allen, Altman, Bryant, Buis, Cave, DeWeese, Farley, Ford, Gee, J. Harper, K. Harper, Heleringer, Hourigan, Jensen, Keith, Lile, Moberly, Mullinix, Napier, Noland, Nunn, Palumbo, Reinhardt, Sanders, T. Smith, Todd, Turner, Walton, Zimmerman. Nays 67—Adams, Adkins, Arnold, Ballard, Barrows, Bentley, Blandford, Bowling, Brown, Burch, Butler Callahan, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, Donnermeyer, Farrow, Fox, French, Gedling, Geveden, Graham, Gray, Hancock, Hatcher, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Lindsay, Little, Long, Maggard, Mason, McElroy, Morris, Nelson, Nesler, Northup, Pearman, Rapier, Rasche, Richards, Ridley, Riggs, Riner, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne, Worthington.

Floor Amendment No. 4 to the House Committee Substitute to **SB 7** was rejected.

Representative Lindsay moved the adoption of Floor Amendment No. 33 to the House Committee Substitute to **SB 7**.

On the roll call the vote was yeas 10—Allen, Altman, Buis, Gee, Hancock, Keith, Lindsay, Nunn, Sanders, Walton. Nays 77—Ackerson, Adams, Adkins, Arnold, Ballard, Bentley, Blandford, Bowling, Brown, Bruce, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farrow, Ford, Fox, French, Gedling, Geveden, Graham, Gray, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Little, Long, Mason, McElroy, Moberly, Morris, Napier, Nelson, Nesler, Noland, Northup, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Turner, Ward, Wayne, Yates.

Floor Amendment No. 33 to the House Committee Substitute to **SB 7** was rejected.

Representative Butler moved the adoption of Floor Amendment No. 61 to the House Committee Substitute to **SB 7**.

Speaker Pro Tem Clark assumed the Chair.

On the roll call the vote was yeas 21—Allen, Altman, Butler, P. Clark, Cyrus, Deskins, Gedling, Gray, Hatcher, Keith, Little, Maggard, McElroy, Mullinix, Nelson, Nesler, Noland, Rasche, Riggs, Sanders, Stengel. Nays 75—Ackerson, Adams, Adkins, Arnold, Ballard, Bentley, Blandford, Bowling, Bruce, Bryant, Buis, Burch, Callahan, Cave, L. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gee, Geveden, Graham, Hancock, J. Harper, K. Harper, Heleringer, Hourigan, Jensen, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Mason, Moberly, Morris, Napier, Northup, Nunn, Palumbo, Pearman, Rapier, Reinhardt, Richards, Ridley, Riner, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, T. Smith, Stacy, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman.

Floor Amendment No. 61 to the House Committee Substitute to **SB 7** was rejected.

The Speaker resumed the Chair.

Representative Hancock moved the adoption of Floor Amendment No. 44 to the House Committee Substitute to **SB 7**. Rejected.

Representative Stumbo moved that **SB 7**, by way of House Committee Substitute as amended, be passed.

Representative Sheehan moved the adoption of Floor Amendment No. 41 to the House Committee Substitute to **SB 7**. Agreed.

Representative Sheehan moved the adoption of Floor Amendment No. 40 to the House Committee Substitute to **SB 7**.

Representative Sheehan moved that Floor Amendment No. 40 to the House Committee Substitute to **SB 7** be withdrawn.

Representative Sheehan moved that Floor Amendment No. 39 to the House Committee Substitute to **SB 7** be withdrawn.

Representative Morris moved that **SB 7**, by way of House Committee Substitute as amended, be passed.

On the roll call the vote was: Yeas 99, Nays 0. (See February 12, 1993 roll call on **SB 7** - Appendix.)

SB 7, by way of House Committee Substitute as amended, was passed and the title agreed to.

Representative Stumbo moved that the vote by which **SB 7**, by way of House Committee Substitute as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions and Communications

Representative Hancock moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Hancock moved the adoption of the following **HR 36**:

HR 36, A RESOLUTION in loving memory of Joe A. Roehrig of Louisville, Kentucky.

With deepest regret we pay homage and tribute to the memory of Joe A. Roehrig.

WHEREAS, Joe A. Roehrig was the retired owner of the old Joe A. Roehrig Plumbing and Heating Company; and

WHEREAS, Joe A. Roehrig ably served as president, vice-president, and treasurer of the Kentucky Association of Plumbing-Heating-Cooling Contractors, Inc.; and

WHEREAS, Joe A. Roehrig diligently served on many committees of the Kentucky Association of Plumbing-Heating-Cooling Contractors, Inc., including five times on the Executive Board, three times on the Board of Directors; and the Convention Committee; two times as chairman on the Nominating Committee; once as chairman of the Membership Committee, the House Committee, and the Awards Committee; and as a member of the Education Committee and the Repair and Remodel Seminar; and

WHEREAS, he also served on the National Association of Plumbing-Heating-Cooling Contractors, Inc.; and

WHEREAS, Joe A. Roehrig's contributions to the state and national Association of Plumbing-Heating-Cooling Contractors, Inc. were immeasureable and his influence will be true and lasting; and

WHEREAS, most important Joe A. Roehrig was a loving husband to Dorothy and a devoted father to his daughter, Sue Ellert; his son, Joseph; his five grandchildren, and two great-grandchildren; and

WHEREAS, Joe A. Roehrig will be sorely missed by his family, friends, and associates;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its sincere sense of bereavement upon the loss of a great Kentuckian, Joe A. Roehrig, and extends its thoughts and prayers to his loved ones.

Section 2. That the Clerk of the House is directed to send a copy of this Resolution to Mrs. Dorothy L. Roehrig, 936 Baxter Avenue, Louisville, Kentucky 40205.

HR 36 was adopted by voice vote.

Representative Farley moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Farley moved the adoption of the following **HR 34**:

HR 34, A RESOLUTION in honor of Mrs. Duncan's fifth grade class at Oakview Elementary School for their patriotism.

WHEREAS, our system of education is the cornerstone of everything we value in the nation and in the Commonwealth; and

WHEREAS, when our children demonstrate patriotism, they renew a sense of pride and honor to their Commonwealth and their country; and

WHEREAS, Mrs. Darris T. Duncan's fifth grade class at Oakview Elementary School in Ashland, Kentucky, have displayed their love for this Commonwealth by creating "The Kentucky Pledge," which reads as follows:

THE KENTUCKY PLEDGE

To the flag of Kentucky
I pledge my loyalty.
As a Commonwealth,
United we stand,
Divided we fall.; and

WHEREAS, it is most appropriate in this two hundredth year celebration of our great Commonwealth to recognize our future citizens for their endeavor to demonstrate their loyalties;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby honor and congratulate Mrs. Duncan's fifth grade class at Oakview Elementary School in Ashland, Kentucky, for their creativity in patriotism.

Section 2. That the Clerk of the House of Representatives is directed to transmit copies of this Resolution to Mrs. Darris T. Duncan, Oakview Elementary School, 3111 Blackburn Avenue, Ashland, Kentucky 41101, for distribution to Rochelle Addy, Amanda Blevins, Melodi Blevins, Tristan Burke, Carrie Callaway, Erin Carr, Justin Curtis, Holly Davis, Ace Wayne Dolin, Jennifer Fraley, Brett Grizzle, Julie Kleykamp, Synde Manning, Mark Maynard, Jimmy Simpson, Ryan Shanks, Jessica Southers, Laura Sparks, T. Jay Tackett, Hilary Vance, Brittany Twinam, Carol Trumbore, Amanda Vanness, Aaron Williams, Jason Moore, and Jason Evans.

HR 34 was adopted by voice vote.

Representative Kerr moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 37, by Representative Kerr: A RESOLUTION in honor of Gailen Wayne Bridges III upon the occasion of his birth.

Representative Kerr moved the adoption of the following **HR 37**:

HR 37, A RESOLUTION in honor of Gailen Wayne Bridges III upon the occasion of his birth.

WHEREAS, Gailen Wayne Bridges III was born on Monday, February 8, 1993, at 12:37 p.m., a native of Independence, Kenton County, Kentucky; and

WHEREAS, Gailen Wayne Bridges III weighed-in at 7 pounds, 13 ounces; and

WHEREAS, Gailen Wayne Bridges III is the most welcomed son of Debra Ann Kerr Bridges and Gailen Wayne Bridges, Jr.; and

WHEREAS, Gailen Wayne Bridges III is the grandson of Glenna Lancaster Bridges and G. Wayne Bridges, Sr. and JoAnn Moffett Kerr and Thomas H. Kerr; and

WHEREAS, Gailen Wayne Bridges III is the loving brother of Ashley Jo Bridges and Amber LeAnn Bridges; and

WHEREAS, Representative Thomas Robert Kerr is the proud uncle of Gailen Wayne Bridges III;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body is indeed proud to recognize the occasion of the birth of Gailen Wayne Bridges III on February 8, 1993.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of the occasion of the arrival of Gailen Wayne Bridges III.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Master Gailen Wayne Bridges III, Madison Pike, Independence, Kentucky 41051.

HR 37 was adopted by voice vote.

Representative Ridley moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 38, by Representatives Ridley and Lewis: A RESOLUTION adjourning in honor of J. D. "Jimmie" Jones, Caldwell County judge/executive.

Representative Ridley moved the adoption of the following **HR 38**:

HR 38, A RESOLUTION adjourning in honor of J. D. "Jimmie" Jones, Caldwell County judge/executive.

WHEREAS, after twenty-eight years, long-time public official J. D. "Jimmie" Jones will not be a candidate for re-election, in the May primary; and

WHEREAS, Jimmie Jones began his political career in 1962 when he successfully ran for sheriff, and, has held a county-wide office ever since except from 1966-1970; and

WHEREAS, Jimmie Jones' tenure has included three terms as sheriff, one as county judge and three as county judge/executive; and

WHEREAS, Jimmie Jones ranks as one of the most popular vote-getters in Caldwell County's history, his biggest landslide being in 1985 when he won the judge/executive race by a five to one margin; and

WHEREAS, Jimmie Jones has expressed his appreciation to the citizens of Caldwell County and voiced his gratitude for their support;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby congratulate J. D. "Jimmie" Jones on his years of faithful and outstanding service to the citizens of Caldwell County and our great Commonwealth.

Section 2. That when the House of Representatives adjourns this day it does so in tribute and honor of J. D. "Jimmie" Jones, judge/executive of Caldwell County.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Judge J. D. "Jimmie" Jones, 100 East Market Street, Princeton, Kentucky 42445.

HR 38 was adopted by voice vote.

Representative Maggard moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Maggard moved that he be recorded as voting "nay" on Floor Amendment No. 33 to the House Committee Substitute to **SB 7**. Agreed.

Representative Donnermeyer moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Donnermeyer moved that his vote be changed from "yea" to "nay" on Floor Amendment No. 23 to the House Committee Substitute to **SB 7**. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so by voice vote. Agreed.

Representative Stumbo moved that no further business be conducted on this day other than Senate Messages and the appointment of a Conference Committee. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so until 10:00 a.m., Saturday, February 13, 1993. Agreed.

Recess

Representative Stumbo moved that the House recess until 3:30 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the House stand at ease to await the Senate Message. Agreed.

The Speaker called the House to order.

Senate Message

Message received on **SB 7**: The Senate has refused to concur in the House Committee Substitute to **SB 7** and all House Floor Amendments and respectfully returns it with the request that this Honorable Body recede from the Committee Substitute and Amendments. (Time: 3:35 p.m.)

Motions, Petitions and Communications (Continued)

Representative Stumbo moved that the House refuse to recede from the House Committee Substitute and Floor Amendments on **SB 7**. Agreed.

Representative Stumbo moved that a Conference Committee on **SB 7** be appointed. Agreed.

The Speaker announced the appointment the following members to serve on a Conference Committee: Representative Clarke, Chairman; Representatives Stumbo, Rapier and Jensen.

The Speaker Pro Tem assumed the Chair.

Senate Message

Message received on **SB 7**: The Senate has appointed the following members to serve on a Conference Committee to **SB 7**: Senator Rose, Chairman; Senators Karem and Rogers. (Time: 3:55 p.m.)

The Speaker resumed the Chair.

Motions, Petitions and Communications (Continued)

Representative Stumbo moved the adoption of the following Conference Committee Report on **SB 7**. Agreed.

The Conference Committee on **SB 7** made the following report:

The conference committee has met as provided in the Rules of the House and Senate and reported that agreement could not be reached and asked that a Free Conference Committee be appointed . Agreed.

Senate Message

Message received on **SB 7**: The Senate has appointed the following members to serve on a Free Conference Committee to **SB 7**: Senator Rose, Chairman; Senators Karem and Rogers. (Time: 4:25 p.m.)

The Speaker announced the appointment of the following members to serve on a Free Conference Committee on **SB 7**: Representative Clarke, Chairman; Representatives Stumbo, Rapier, Jensen, Richards, L. Clark and Noland.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Saturday, February 13, 1993.

The motion that the House adjourn until 10:00 a.m., Saturday, February 13, 1993 was adopted by voice vote.

SATURDAY, FEBRUARY 13, 1993

ELEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Father Theodore Keller, Church of the Good Shepherd, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

Members indicated their presence by voice vote. The Speaker declared a quorum present.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 12, 1993 be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 39, by Representatives Morris, Zimmerman, Stumbo, Cyrus, Deskins, Burch and McElroy: A RESOLUTION requesting the Legislative Research Commission to have the Interim Joint Committee on State Government study the creation of a Kentucky News Council and media ethics center.

HR 40, by Representative Ballard: A RESOLUTION in loving memory and honor of Everett B. Offutt.

Motions, Petitions and Communications

Representative Ballard moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Ballard moved the adoption of the following **HR 40**:

HR 40, A RESOLUTION in loving memory and honor of Everett B. Offutt.

With deepest respect, we pay homage and tribute to Everett B. Offutt.

WHEREAS, Everett B. Offutt, a native of Madisonville, Hopkins County, Kentucky, was born on November 27, 1913, and traversed these earthly bounds on January 17, 1993; and

WHEREAS, Everett B. Offutt was the loving son of Elijah Benjamin Offutt and Lena Belle Hewlett Offutt, who preceded him in death; and

WHEREAS, Everett B. Offutt was the devoted husband of Cuba Embry Offutt; and

WHEREAS, Everett B. Offutt was the loving father of three daughters, Barbara Huddleston, Donna Harris and Debra Marks; and two sons, James E. Offutt and Gary (Bush) Offutt; and

WHEREAS, Everett B. Offutt devoted many countless hours to the Democratic Party and was committed to democratic principles in his precinct work; and

WHEREAS, the passing of Everett B. Offutt has left a void that will be difficult to fill, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body expresses its most profound sense of sorrow upon the passing of Everett B. Offutt, and does extend to his family its most heartfelt sympathy.

Section 2. That the Clerk of the House of Representatives be directed to transmit a copy of this Resolution to Mrs. Cuba Embry Offutt, 268 West Lake Street, Madisonville, Kentucky 42431.

HR 40 was adopted by voice vote.

Representative Stumbo moved that when the House adjourns, it does so by voice vote. Agreed.

Adjournment

Representative Stumbo moved that the House adjourn until 12 Noon, Monday, February 15, 1993.

The motion that the House adjourn until 12 Noon, Monday, February 15, 1993 was adopted by voice vote.

MONDAY, FEBRUARY 15, 1993

TWELFTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Dr. Gary Straub, First Christian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ridley and R. Smith.

Representative McElroy moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 13, 1993 be dispensed with and the same approved. Agreed.

Introduction of Resolutions

HR 41, by Representative Barrows: A RESOLUTION commending the outstanding public service of John A. Cubine upon the occasion of his fortieth birthday and adjourning in his honor.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Resolution:

State Government: **HR 39**

Orders of the Day

HB 1, with Senate Committee Amendments and Senate Floor Amendment attached thereto, taken from the Orders of the Day. Representative Stumbo moved that it be placed upon its passage. Agreed.

The Senate Committee Amendment No. 1 to **HB 1** is as follows:

Amend printed copy of **HB 1/GA** on page 4, line 8, after the word "***the***" but before the word "***Interim***" by inserting the following new language: "***Legislative Research Commission, who shall forward the information to the appropriate committees***" and on line 8, by deleting the remaining language, and on line 9, by deleting the word "***Revenue***"; and

On page 4, line 11, after the word "***the***" but before the word "***Interim***" by inserting the following new language: "***Legislative Research Commission, who shall forward the information to the appropriate committees***" and on line 11, by deleting the remaining language, and on line 12, by deleting the word "***Revenue***".

Representative Stumbo moved that the House concur in Senate Committee Amendment No. 1 to **HB 1**. Agreed.

The Senate Committee Amendment No. 2 to **HB 1** is as follows:

Amend printed copy of **HB 1/GA** on page 5, line 10, by deleting "***be permitted to***" and inserting after the word "***anticipate***" the word "***future***" and after the word "***funding***" by deleting the word "***beyond***" and inserting the word "***at***".

Representative Stumbo moved that the House concur in Senate Committee Amendment No. 2 to **HB 1**. Agreed.

The Senate Floor Amendment No. 3 to **HB 1** is as follows:

Amend printed copy of **HB 1/GA** On page 5, line 12, after the period "." by deleting the remainder of the new language; and

On page 5, by deleting the new language on lines 13 through 15.

Representative Stumbo moved that the House concur in Senate Floor Amendment No. 3 to **HB 1**. Agreed.

Representative Stumbo moved that **HB 1**, as amended by the Senate, be passed.

On the roll call the vote was: Yeas 80, Nays 16. (See February 15, 1993 roll call on **HB 1** - Appendix.)

HB 1, as amended by the Senate, was passed and the title agreed to.

Representative Stumbo moved that the vote by which **HB 1**, as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Worthington moved that the remarks concerning the action on the Senate Committee Amendment No. 2 to **HB 1** be spread upon the Journal. Agreed.

Majority Floor Leader: Ask the clerk to report Senate Committee Amendment No. 2.

Clerk: Senate Committee Amendment No. 2 to **HB 1**.

Majority Floor Leader: Speaker, ladies and gentlemen, Senate Committee Amendment No. 2 prohibits local school districts from anticipating future funding at the amount of offers of assistance granted in the 1992-1994 biennium. Now, the net effect of that probably is that local school districts will not be able to qualify for bonding of their technology programs unless they commit non technological funds to the bonds. Now what that .if a school district were to seek an opinion from bond council with this language there's no guarantee that the next General Assembly, and the next General Assembly, and the next General Assembly would continue to provide the funds at that same level; and so, effectually, they'd have to commit General Fund dollars from their districts to qualify. It's an issue that may not be an issue if you think of it in those terms, and you also, I think, must remember that that's the same situation they face with every other type of project that they encounter. If your school districts wants to build a new building without the school facilities construction monies, then it would have to commit its General Fund dollars to meet the bond requirements. If there are no questions, I move you sir adoption of Senate Committee Amendment number two.

Speaker Clarke: Motion made and seconded that Senate Amendment No. 2 be concurred in. Gentleman from Campbell.

Gentleman from Campbell: Mr. Speaker, I would like to ask if the Floor Leader would yield to a question. Mr. Floor Leader, does this not really though when a local school district anticipated that they were going to sell bonds to get the computers because they don't have enough money in the General Fund, would they not have to have a local referendum to sell those bonds?

Majority Floor Leader: No.

Gentleman from Campbell: Would it not be that the same as if they tried to put a tax increase on? Are you saying . . the reason that I'm asking this is that I could go along with the amendment if we're taking, if we're not taking away the local autonomy of that school district. I have a real problem with that. I think if a school district wants to put computers into their school district, which we are trying to get them to do, which is one of the basic parts of KERA, which would be allow computers for all school districts to compute with each other. If they don't have them, they can't compute. But I think, the way that I understand it, I hope that I'm wrong because I think that this amendment is going to pass. But the way that I understand it, each local school district with that local autonomy, has to go before their voters and say to them, "we want to bond you for a million dollars, whatever it might be, and its going to cost you X number of dollars." And it is a tax increase to a certain extent. And we're always telling them locally to do this. So that's the question, it does it or doesn't it? And where would you be able to show me that it doesn't?

Majority Floor Leader: Gentleman, this doesn't require local school boards to raise taxes. You'll not find the word "tax" in either the Senate Amendment nor the bill.

Gentleman from Campbell: That's not what I'm asking sir. I'm asking you if this amendment would not take away the local school districts right when they wanted a bond and even before they could bond? The way we had it sent over to them, they would have been able to bond, heavy bond for the monies, but before they could do that, they would have to go to the people and get an approval of them locally. That's local autonomy. You're saying, I'm not saying that they have to raise taxes. I'm saying the people in that school district would know, that yes, we are going to bond you for so many years, and we're voting yes or we're voting no. And I think that what this amendment does, from the honorable Senator from Fayette, is to say to the local school districts, "we want you to have these computers and this is the basis of KERA, but we don't have the money, you don't have the money, and if you don't raise taxes to get that money, not bond, you ain't going to have computers." And there goes the whole basis of KERA.

Speaker Clarke: Gentleman from Floyd, do you wish to respond.

Gentleman from Floyd: Yes. Gentleman from Campbell, that's not correct. The issue before the body is whether or not you want local school districts to be able to bond perhaps in massive and unchecked quantities their technology package. This does not prohibit that bonding. It simply says that they can't rely upon the sources of incomes at the same level that they received in this biennium to guarantee the payment on the bonds. And I would yield to the Gentleman from Shelby, the Chairman of our Appropriations and Revenue Committee to further explain because I'm not as knowledgeable in the area of school bonding as probably he may be.

Speaker Clarke: Gentleman from Shelby.

Gentleman from Shelby: Mr. Speaker, ladies and gentlemen. I think the question raised by the gentleman is incorrect because we do allow school boards to go together now. For example, we just issued a large bond issue for the purchase of school buses. The danger is that we will allow a great big bond issue with no anticipation that there's going to be money there to pay it off coming from the state. And all this is doing is saying is don't, this bundling of groups together to have a bond issue, in which we may not have the money to pay off the bonds, or it's bonded for longer than the life of the equipment. That's the danger that this amendment tries to stop.

Speaker Clarke: Does the Gentleman from Fleming seek recognition? Gentleman from Fleming.

Gentleman from Fleming: Mr. Speaker, I'd like to first address the comments of the Gentleman from Campbell and then I'd like to ask a question of the Gentleman from Floyd. Gentleman from Campbell, the situation with issuance of bond on a local district is based upon their solvency. If they have enough revenue above their normal expenditures to generate a surplus then the Commissioner of Education can approve a debt financing for any capital piece of equipment. And as I read it, this does not stop that. If a local school board wanted to issue bonds or technology equipment, they could do so, and pursuant to House Bill 698, the last time, they were limited to seven years or the life of the equipment, whichever was the longest. And I think that what is being said here is that they still can issue those bonds, they just have to prove that they're solvent. And I suppose that's my question back to the Gentleman from Floyd. Is that what we're doing, that we're not precluding bonds from being issued or leases from being entered into at the local level as long as they have the money to be able enter and to pay for those bonds.

Gentleman from Floyd: Well, yes. You must remember one thing, that this is an amendment to the budget bill, and whatever language is inserted in this bill will not carry forward past the upcoming biennium. And so what the language would do, it doesn't have any effect upon their local boards abilities to bond either for technology or school buses or anything else. The gentleman is exactly right. They can't do that. What it says is that they can't go to a bond council, which is a prerequisite as I understand it, in the selling of bonds to get an opinion as to whether or not the bonds are______that they have the ability to repay them. That they can't rely upon, or bond council could not rely upon, their receiving funding at the same level over the course of the life of the bond gentleman that they received in this biennium. So it keeps them from getting themselves in a box by purchasing technology, which they can still do, but purchasing it with bonds and relying upon a source and a level. I think that the level is the important thing. A level of funding to perhaps retire those bonds that they may not be able to receive during the life of those bonds. And Mr. Speaker, I would yield to the Gentleman from Calloway, I believe who has an experience in his district that he'd be willing to talk about and further explain this matter to the members.

Speaker Clarke: Gentleman from Calloway.

Gentleman from Calloway: I think that the Floor Leader has explained it real well. I had some concern about this and went to LRC and did some checking into it. Actually, about all it boils down to is that you cannot take your technology money that's part of your bonding, power to bond, is actually all it does. You can't take the technology money to bond. And you can still bond that General Fund. There's nothing about a referendum at all in the bill. I think that it's a good amendment.

Speaker Clarke: Gentleman from Fleming.

Gentleman from Fleming: I want to follow up on that Gentleman from Calloway. It is my understanding as it's written, that in the bonds, the offers of assistance in the 1992-1994 biennium can be used against the debt service on those bonds for those two years. You just couldn't use money in and beyond 1994, or if you did, you couldn't use it at the same level because the legislation says, "you cannot use it at the same level." Is there a response to that because that's the way I see it is that we can still issue bonds or leases and use the money. We just can't anticipate the same level of funding beyond 1994.

Speaker Clarke: Further discussion.

Gentleman from Fleming: I would say, Mr. Speaker, that the amendment that I sent out of here said exactly that you could not expect any money beyond June 30, 1994. What this amendment does, it says that you can't expect it at the same level, which raises a question mark at what level. I don't have any problem with that. I think that my proposal was better because it said that you can use these two years, but beyond that, you're on your own if you issue any bonds or enter into any leases. And if that's what it says, I don't have any problem with it. I suppose that I would, Mr. Speaker, ask that the comments that have been rendered on this floor in this discussion of this amendment be spread upon the journal so that we have a record of what was intended as we pass this legislation.

Speaker Clark: Without objection, the remarks will be spread on the record. Motion before us now is for concurrence in Senate Committee Amendment No. 2. Any further discussion. Ready for the question? All in favor signify by saying aye. Opposed. The House has concurred in Senate Amendment No. 2.

Motions, Petitions and Communications

Representative Barrows moved the adoption of the following **HR 41**:

HR 41, A RESOLUTION commending the outstanding public service of John A. Cubine upon the occasion of his fortieth birthday and adjourning in his honor.

WHEREAS, having completed both his B.S. in Sociology and graduate studies at the University of Louisville, he began as a social worker at the Department for Human Resources, Bureau for Social Insurance, in May, 1975; and

WHEREAS, between 1975 and 1985 his career position changed and he rose from eligibility worker to Executive Director of the Office of Policy and Budget in the Cabinet for Human Resources; and

WHEREAS, in July, 1990, he became Deputy Secretary of the Governor's Executive Cabinet and presently he is Chief of Staff, Auditor of Public Accounts; and

WHEREAS, John A. Cubine is a man of integrity, honor, and great kindness, and he is held in the highest esteem by the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and salutes John A. Cubine for the enduring contributions he has made to public service and state government as a whole.

Section 2. That this honorable body proudly honors John A. Cubine, wishing him a very happy fortieth birthday.

Section 3. That when the House adjourns this day, it does so in honor of John A. Cubine.

HR 41 was adopted by voice vote.

Representative J. Harper moved that the rules be suspended to introduce guests. Agreed.

Representative Coleman moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Coleman moved the adoption of the following **HR 35**:

HR 35, A RESOLUTION adjourning the House of Representatives in memory of W. A. "Pete" Wickliffe.

WHEREAS, W. A. "Pete" Wickliffe departed this life on January 22 at seventy years of age; and

WHEREAS, W. A. "Pete" Wickliffe has crossed that bourne from which no traveller returns, to rise toward such final union like the mist at morning; and

WHEREAS, this honorable gentleman served with great distinction the people of Kentucky in many capacities; and

WHEREAS, W. A. "Pete" Wickliffe served as Harrodsburg City Attorney from 1950 to 1951; and

WHEREAS, W. A. "Pete" Wickliffe ably served the Commonwealth both as Representative of the Forty-Fifth District from 1952 to 1953 and as Senator of the Twenty-Second District from 1954 to 1958; and

WHEREAS, he continued his service in the capacity of Commonwealth's Attorney, Thirteenth Judicial District, from 1958 to 1970, and as Special Judge, Fiftieth District, from 1970 to 1976; and

WHEREAS, W. A. "Pete" Wickliffe was a member of the Harrodsburg United Presbyterian Church and was a valued member of the community; and

WHEREAS, W. A. "Pete" Wickliffe was devoted to his mother, Christine Oates Wickliffe; his loving wife, Jo Etta Wickliffe; his daughter, Christine W. Spragens; his son, William B. Wickliffe; his stepson, Greg McCloud; his two grandchildren; and his three stepgrandchildren;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body expresses its profound grief over the loss of this valued former member and friend and extends its sympathy to his family.

Section 2. That when the House of Representatives adjourns this day it does so in memory of W. A. "Pete" Wickliffe.

Section 3. That the Clerk of the House of Representatives send four copies of this Resolution to Mrs. Jo Etta Wickliffe, 506 Ashley, Harrodsburg, Kentucky 40330.

HR 35 was adopted by voice vote.

Representative Long moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 43, by Representative Long: A RESOLUTION honoring fellow Kentuckian, Staff Sargeant William (Bill) Elliott, the distinguished member of the United States Field Band.

Representative Long moved the adoption of the following **HR 43**:

HR 43, A RESOLUTION honoring fellow Kentuckian, Staff Sargeant William (Bill) Elliott, the distinguished member of the United States Field Band.

WHEREAS, Staff Sargeant Bill Elliott is a proud member and highly skilled percussionist with the talented United States Army Field Band that marched in the Presidential Inaugural Parade on January twentieth, 1993; and

WHEREAS, Staff Sargeant Bill Elliott graduated from the University of Kentucky with a bachelor's degree in music and, thereafter from Northern Illinois University with a master's degree; and

WHEREAS, while teaching music at the University of Kentucky, Bill Elliott applied for the Army Band and was one of eight contestants selected out of the one hundred and fifty applicants; and

WHEREAS, after the selection was narrowed from two contestants to one, he was honored as a member of the United States Field Band; and

WHEREAS, Staff Sargeant Bill Elliott is fundamentally important to the Army Band and he and fellow distinguished members of the Army Band have toured Puerto Rico and the New England states and will soon tour Tennessee, Texas, New Mexico, Arizona, and California; and

WHEREAS, Staff Sargeant Bill Elliott is the dearly loved and honored son of Raymond Elliott and the late Margaret Elliott, and is esteemed by all Kentuckians;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives highly praises William (Bill) Elliott and designates him as an exemplary representative of the Commonwealth of Kentucky.

Section 2. That the Clerk of the House of Representatives is directed to send two copies of this Resolution to Raymond Elliott, 928 Plainview Drive, Shelbyville, Kentucky 40065.

HR 43 was adopted by voice vote.

Representative Stumbo moved that when the House does adjourn, it does so by voice vote. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so until 12 Noon, Tuesday, February 16, 1993. Agreed.

Representative Stumbo moved that no further business be conducted on this day other than receiving the Free Conference Committee Report. Agreed.

Recess

Representative Stumbo moved that the House recess until 6:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Adjournment

Representative Stumbo moved that the House adjourn until 12 Noon, Tuesday, February 16, 1993.

The motion that the House adjourn until 12 Noon, Tuesday, February 16, 1993 was adopted by voice vote.

TUESDAY, FEBRUARY 16, 1993

THIRTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Charles C. Ellestad, Church of the Ascension, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representative R. Smith.

Representative McElroy moved that the absent member be granted leave of absence in accordance with the rules of the House. Agreed.

Representative McElroy moved that the reading of the Journal of February 15, 1993 be dispensed with and the same approved. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 1** has been examined and found correctly enrolled. Said Bill was read at length, compared and signed in open session by the Speaker, and ordered delivered to the Senate. (Time - 12:05)

HB 1 were delivered to the Senate and signed by the President. Delivered to the Governor on February 16, 1993 at 4:14 p.m.

Senate Message

Announcing passage of **SCR 34**. (Time: 12:05 p.m.)

Introduction of Resolutions

HR 42, by Representative Stumbo: A RESOLUTION adjourning the 1993 Extraordinary Session on Ethics in remembrance and honor of Jesus Christ, the Prince of Ethics.

HR 44, by Representative Barrows: A RESOLUTION adjourning in loving memory and honor of Margaret Corman Carter of Versailles, Kentucky

Representative Farley moved that the rules be suspended to introduce guests. Agreed.

Representative Stumbo announced that the Free Conference Committee on **SB 7** would meet at 1:00 p.m. for a final draft of the Free Conference Committee Report. The Free Conference Committee Report should be ready by 4:00 p.m. which would give the members two hours to study the Report.

Representative Stumbo moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 45, by Representative Heleringer: A RESOLUTION honoring Representative Anne Northup for her effort regarding smoking and agricultural alternatives.

Representative Heleringer moved the adoption of the following **HR 45**:

HR 45, A RESOLUTION honoring Representative Anne Northup for her effort regarding smoking and agricultural alternatives.

WHEREAS, tobacco production has sustained the small farmer and the farm economy in Kentucky for many years; and

WHEREAS, tobacco production will continue to contribute to the welfare of small farmers and rural communities throughout the state; and

WHEREAS, tobacco farmers need to become prepared for the time when tobacco does not furnish the amount of economic support it once did; and

WHEREAS, Representative Northup has worked for legislation which would help to fund alternatives to supplement tobacco farmers' income; and

WHEREAS, Representative Northup has worked for legislation that would increase the smoking age and would reduce minors' access to tobacco products; and

WHEREAS, Representative Northup recently received national recognition in a *Newsweek* article for her work in this area;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Representative Northup be recognized by the House of Representatives of the Kentucky General Assembly for her work on smoking and funding agricultural alternatives to supplement tobacco farmers income, and be commended for the contributions recognized in *Newsweek* magazine.

HR 45 was adopted by voice vote.

Representative Heleringer moved that a call of the roll be taken to show co-sponsors of **HR 45**.

On the roll call the vote was yeas 46—Ackerson, Ballard, Bowling, Bruce, Callahan, Cave, L. Clark, Coleman, Collins, Crenshaw, Curd, Cyrus, Deskins, DeWeese, Farley, Fox, Geveden, Gray, Hatcher, Heleringer, Jensen, Johnson, Keith, Lee, Lewis, Lile, Lindsay, Little, Long, Mason, Nelson, Palumbo, Pearman, Rasche, Riggs, Scorsone, Shacklette, Sheehan, B. Smith, T. Smith, Stengel, Todd, Turner, Ward, Yates, Zimmerman. Nays 0.

Representative Barrows moved the adoption of the following **HR 44**:

HR 44, A RESOLUTION adjourning in loving memory and honor of Margaret Corman Carter of Versailles, Kentucky.

With heartfelt sorrow we pay homage and tribute to the memory of Margaret Corman Carter.

WHEREAS, Margaret Corman Carter crossed that final bourne from which no traveler returns, and transversed these earthly bounds on February 14, 1993; and

WHEREAS, Margaret Corman Carter was the loving mother of Pippin Roberts, Patsy Shyrock, Peggy Seal, Melanie Esparza, Charles Carter, and Glenn Carter and adoring grandmother to eight grandchildren and two step-grandchildren; and

WHEREAS, Margaret Corman Carter was the beloved daughter of the late A. J. "Jack" and Gertrude Corman, the loving sister of Ethel Coyle and A. J. Corman, Jr., and adored wife of the late Charles W. Carter; and

WHEREAS, Margaret Corman Carter was a past president of the Women of the Church, youth group leader, and Sunday School teacher at the former Nonesuch Presbyterian Church; a member of the Troy Presbyterian Church; and past president and lifetime honorary member of the Nonesuch Parent Teacher Association;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby express its profound grief over the passing of Margaret Corman Carter and commends her family to the solace of the Almighty during these dark and painful hours.

Section 2. That when the House of Representatives adjourns this day it does so in loving memory and honor of Margaret Corman Carter.

Section 3. That the Clerk of the House of Representatives is directed to transmit eight copies of this Resolution to Pippin Roberts, Legislative Research Commission, Capitol Building, Frankfort, Kentucky 40601.

HR 44 was adopted by voice vote.

Representative Stacy moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 46, by Representative Stacy: A RESOLUTION in honor of National Vocational Education Week.

Representative Stacy moved the adoption of the following **HR 46**:

HR 46, A RESOLUTION in honor of National Vocational Education Week.

WHEREAS, February 15-19, 1993, is National Vocational Education Week; and

WHEREAS, vocational education serves Kentucky's tremendous need for a wide range of intensive programs in order to develop our human resources, reduce unemployment, expand the state's economic base, and increase productivity; and

WHEREAS, vocational education programs in Kentucky last year provided job skills training for large numbers of secondary students, post-secondary students, and adults; and

WHEREAS, this honorable body is pleased to acknowledge the vital importance of vocational education;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives salutes National Vocational Education Week, February 15-19, 1993.

Section 2. That the Clerk of the House of Representatives is directed to send a copy of this Resolution to the Governor's Council on Vocational Education, 119 West Broadway, Frankfort, Kentucky 40601-1930.

HR 46 was adopted by voice vote.

Representative B. Smith moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 47, by Representative B. Smith: A RESOLUTION adjourning in honor of Paul J. Schnoes of Bowling Green, Kentucky.

Representative B. Smith moved the adoption of the following **HR 47**:

HR 47, A RESOLUTION adjourning in honor of Paul J. Schnoes of Bowling Green, Kentucky.

WHEREAS, Paul J. Schnoes was influential in the establishment of the Corvette plant in Bowling Green; and

WHEREAS, the Corvette plant is the only one of its kind in the world, attracting thousands of tourists annually; and

WHEREAS, Paul J. Schnoes received his bachelor of science degree in industrial engineering from the General Motors Institute in 1956; and

WHEREAS, after holding various positions with the General Motors Company nationwide, he was appointed to the position of manager of the Corvette plant at Bowling Green on June 1, 1984; and

WHEREAS, Paul J. Schnoes has greatly contributed to the fine quality product produced at the Corvette plant, as well as the outstanding reputation Corvette enjoys; and

WHEREAS, Paul J. Schnoes has been a community leader contributing to the achievements of many civic and charitable endeavors;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body commends Paul J. Schnoes for his contribution in the establishment of the Corvette Museum, of which he is now serving as Executive Director.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of Paul J. Schnoes.

Section 3. That the Clerk of the House of Representatives is directed to send two copies of this Resolution to Paul J. Schnoes, 1749 Pinehurst Way, Bowling Green, Kentucky 42101.

HR 47 was adopted by voice vote.

Recess

Representative Stumbo moved that the House recess until 4:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended to allow consideration of the Free Conference Committee Report on **SB 7** at 5:30 p.m. today. Agreed.

Recess

Representative Stumbo moved that the House recess until 5:30 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Orders of the Day

A Free Conference Committee Report was filed on **SB 7**.

A Majority Report was filed on **SB 7**.

A Minority Report was filed on **SB 7**.

SB 7 taken from Orders of the Day. Representative Stumbo moved that it be placed upon its passage. Agreed.

Representative Jensen moved the adoption of the following Minority Free Conference Committee Report. Rejected.

The Minority Free Conference Committee Report for **SB 7** is as follows:

Adopt the provisions of the Majority Free Conference Report with the following amendments:

On page 4, line 1, by deleting "***or***"; and

On page 4, line 4, by deleting "." and inserting in lieu thereof "***; or***"; and

On page 4, after line 4 but before line 5, by inserting "***15. Food and beverages.***"; and

On page 4, by deleting line 23 in its entirety and renumbering the subsequent subparagraphs of Section 4 (2)(b) accordingly; and

On page 23, line 5, after ";" by adding "***and***"; and

On page 23, line 6, by deleting "***; and***"; and

On page 23, lines 7 through 10, by deleting all the new language; and

On page 25, line 3, by deleting "***or***"; and

On page 25, line 5, by deleting "." and inserting in lieu thereof "***; or***"; and

On page 25, between lines 5 and 6, by inserting the following:

"***(g) Any proceeding before a board or commission, other than the Public Service Commission, upon which the legislator voted, after the effective date of this section, in the matter of confirmation of a member of that board or commission.***"; and

On page 25, line 23, by deleting "***report***" and by inserting in lieu thereof: "***receive no compensation from representation by a partner in any matter in which representation by the legislator is prohibited by this section.***"; and

On page 25, by deleting lines 24 through 26 in their entirety; and

On page 26, by deleting line 1 in its entirety; and

On page 26, after line 26, by adding: "***(10)(a) If the representation is not prohibited by this section, a duly licensed legislator may represent a client before a state agency, for compensation, if the legislator files a disclosure statement with the commission stating the client's name and the services rendered; and***

(b) If a legislator represents a person in a ministerial matter or an adversarial proceeding as described in this section, the legislator shall not be required to file a disclosure statement relating to those matters or proceedings."; and

On page 27, line 1, by changing "***(10)***" to "***(11)***"; and

On page 27, after line 11, but before line 12, by inserting the following:

"***(12) A legislator may make inquiry for information from any state agency if no fee or reward is given or promised for that inquiry. A legislator may represent a constituent before a state agency if no fee or reward is given or promised for that representation.***

(13) If a legislator appears before a state agency, he shall avoid all conduct which might in any way lead members of the general public to conclude he is using his official position to further his personal interest."; and

On page 28, line 18, by inserting after "***misdemeanor***" the following:

"***. It shall be a complete defense if the legislator or candidate receives something of value from a person registered as a legislative agent or employer, which fact is unknown to the legislator or candidate at the time of receipt, if the legislator or candidate either returns the item or pays full value for it within fourteen (14) days of receipt and within fourteen (14) additional days makes that fact, together with the name of the contributor, item, and its value and the date of return or payment known, in writing to the commission. It shall also be a defense if a legislator or candidate receives a thing of value from a registered legislative agent whose name does not yet appear on the list of legislative agents furnished to the Legislative Research Commission if the legislator or candidate either returns the thing of value or pays the full value for the item within fourteen (14) days of the Legislative Research Commission's receipt of the list bearing the name of the legislative agent or employer and makes the written disclosure to the commission required. The fourteen (14) day time periods shall be tolled upon the filing with the commission of a request for an advisory opinion regarding the thing of value. Upon the issuance of the opinion or decision not to render an opinion, the fourteen (14) day period shall resume***"; and

On page 42, by deleting lines 17 through 26 in their entirety; and

On page 43, by deleting lines 1 and 2 in their entirety; and

On page 43, line 3, by changing "***(8)***" to "***(7)***"; and

On page 43, line 7, by changing "***(9)***" to "***(8)***"; and

On page 43, line 15, by changing "***(10)***" to "***(9)***"; and

On page 43, line 20, by changing "***(11)***" to "***(10)***"; and

On page 43, line 21, by changing "***(8)***" to "***(7)***"; and

On page 47, by deleting line 26; and

On page 48, by deleting lines 1 through 12; and

On page 48, line 13, by changing "***(3)***" to "***(2)***" and by deleting the rest of the line; and

On page 48, line 14, by deleting "***subsection (2) of this section, a***" and inserting in lieu thereof "***A***"; and

On page 48, line 25, by changing "***(4)***" to "***(3)***" and deleting the rest of the line; and

On page 48, line 26, by deleting "***subsection (2) of this section, a***" and inserting in lieu thereof "***A***"; and

On page 49, by deleting lines 19 through 23 in their entirety; and

On page 49, line 24, by changing "***(5)***" to "***(4)***"; and

On page 50, line 6, after "***to***" by deleting "***, or counted***" and inserting in lieu thereof "***an individual legislator if the employer or legislative agent***"; and

On page 50, line 7, by deleting "***toward the amount for a calendar year***"; and

On page 50, line 8, by deleting "***8., 11., or 12.***" and inserting in lieu thereof "***7., 10., or 11.***"; and

On page 50, line 12, by deleting "***subsections***" and inserting in lieu thereof "***subsection***" and by deleting "***and (3)***"; and

On page 111, line 26 by deleting "***Funds in a candidate's campaign account***"; and

On page 112, by deleting lines 1 through 5 and inserting in lieu thereof "***A***"; and

On page 112, between lines 15 and 16, by inserting the following:

"***(26) A candidate with an unexpended balance in his campaign account at the end of an election cycle shall forward the percentage of that balance which can be attributed to contributions by permanent committees to the State Treasurer to be deposited in the Election Campaign Fund for use in public financing of elections pursuant to KRS Chapter 121A.***"

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senator John D. Rogers and Representatives Tom Jensen and Clarence Noland, Jr.

The above-named members, in separate votes by house, all concur in the provisions of this Minority Report.

Representative Stumbo moved the adoption of the following Majority Free Conference Committee Report. Agreed.

The free conference committee has met as provided in the rules of the House and Senate and hereby reports the following to be adopted:

Amend GA Copy of SB 7 as follows:

On page 1, by deleting lines 1 through 20 in their entirety and inserting in lieu thereof the following:

SECTION 1. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Sections 1 to 44 of this Act may be cited as the "Kentucky Code of Legislative Ethics."

SECTION 2. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The proper operation of democratic government requires that a public official be independent and impartial; that government policy and decisions be made through the established processes of government; that a public official not use public office to obtain private benefits; that a public official avoid action which creates the appearance of using public office to obtain a benefit; and that the public have confidence in the integrity of its government and public officials.

SECTION 3. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Except as otherwise provided in this section, a person may be convicted under this code of an offense committed by his own conduct or the conduct of another for which he is legally accountable when:

(1) Either the conduct or the result which is an element of the offense occurs within this state;

(2) Conduct occurring outside the state is sufficient to constitute an attempt to commit an offense within the state;

(3) Conduct occurring outside the state is sufficient to constitute a conspiracy to commit an offense within the state and an overt act in furtherance of the conspiracy occurs within the state;

(4) Conduct occurring within this state establishes complicity in the commission of, or an attempt, solicitation, or conspiracy to commit, an offense in another jurisdiction which is also an offense under this code;

(5) The offense consists of the omission to perform a legal duty imposed by this code regardless of where that person is when the omission occurs; or

(6) The offense is a violation of this code that expressly prohibits conduct outside the state.

Section 4. KRS 6.750 is amended to read as follows:

As used in ***this code*** [~~KRS 6.755 to 6.825~~], unless the context requires otherwise:

(1) ***"Adversarial proceeding" means a proceeding in which decisions are made based upon evidence presented as measured against established standards, with parties having the right to appeal the decision on the record to a court.***

(2) (a) "Anything of value" includes the following:

1. A pecuniary item, including money, or a bank bill or note;

2. A promissory note, bill of exchange, order, draft, warrant, check, or bond given for the payment of money;

3. A contract, agreement, promise, or other obligation for an advance, conveyance, forgiveness of indebtedness, deposit, distribution, loan, payment, gift, pledge, or transfer of money;

4. A stock, bond, note, or other investment interest in an entity;

5. A receipt given for the payment of money or other property;

6. A right in action;

7. A gift, tangible good, chattel, or an interest in a gift, tangible good, or chattel;

8. A loan or forgiveness of indebtedness;

9. A work of art, antique, or collectible;

10. An automobile or other means of personal transportation;

11. Real property or an interest in real property, including title to realty, a fee simple or partial interest, present or future, contingent or vested within reality, a leasehold interest, or other beneficial interest in realty;

12. A rebate or discount in the price of anything of value unless the rebate or discount is made in the ordinary course of business to a member of the public without regard to that person's status as a legislator;

13. A promise or offer of employment; or

14. Any other thing of value that is pecuniary or compensatory in value to a person, or the primary significance of which is economic gain.

(b) "Anything of value" does not include:

1. A campaign contribution properly received and reported, if reportable, as required under KRS Chapter 121 or 121A;

2. Compensation, food, beverages, entertainment, transportation, lodging, or other goods or services extended to a legislator by the legislator's private employer or by a person other than a legislative agent or employer;

3. A usual and customary commercial loan made in the ordinary course of business, without regard to the recipient's status as a legislator, and by a person or institution authorized by law to engage in the business of making loans;

4. A certificate, plaque, or commemorative token of less than one hundred fifty dollars ($150) value;

5. Informational or promotional items;

6. Educational items;

7. Food and beverages consumed on the premises;

8. The cost of attendance or participation, and of food and beverages consumed, at events:

a. To which all members of the Kentucky Senate or the Kentucky House of Representatives, or both, are invited;

b. To which all members of a joint committee or task force of the Kentucky Senate and the Kentucky House of Representatives are invited;

c. To which a caucus of legislators approved as a caucus by the Legislative Research Commission is invited;

d. Sponsored or coordinated by a state or local government entity, including a state institution of higher education, provided that the cost thereof is covered by the state or local government entity or state institution of higher education; or

e. To which an individual legislator is invited and for which the legislator receives prior approval from a majority of the Legislative Research Commission;

9. Gifts from a person related by blood or marriage or a member of the legislator's household;

10. A gift that:

a. Is not used; and

b. No later than thirty (30) days after receipt, is returned to the donor or delivered to a charitable organization and is not claimed as a charitable contribution for federal income tax purposes;

11. The cost, paid, reimbursed, raised, or obtained by the Legislative Research Commission, for attendance or participation, and for food and beverages consumed at, and funds, goods, and services provided for conducting events sponsored or coordinated by multistate or national organizations of, or including, state governments, state legislatures, or state legislators if the attendance and expenditures by the legislator are approved in advance by the Legislative Research Commission;

12. The cost of attendance or participation provided by the sponsoring entity, and of food and beverages consumed, at events sponsored by or in conjunction with a civic, charitable, governmental, or community organization;

13. A gift or gifts from one member of the General Assembly to another member of the General Assembly; or

14. Anything for which the recipient pays or gives full value.

(3) "Associated," if used with reference to an organization, includes an organization in which an individual or a member of the individual's family is a director, officer, fiduciary, trustee, agent, or partner, or owns or controls, in the aggregate, an interest of ten thousand dollars ($10,000) or more, or an interest of five percent (5%) or more of the outstanding equity;

(4) "Business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, professional service corporation, or any legal entity through which business is conducted for profit;

(5) "Business associate" includes the following:

(a) A private employer;

(b) A general or limited partnership, or a general or limited partner within the partnership;

(c) A corporation that is family-owned or in which all shares of stock are closely-held, and the shareholders, owners, and officers of such a corporation;

(d) A corporation in which the legislator or other person subject to this code has an investment interest, owns, or has a beneficial interest in shares of stock which constitute more than:

1. Five percent (5%) of the value of the corporation, or

2. Ten thousand dollars ($10,000) at fair market value;

(e) A corporation, business association, or other business entity in which the legislator or other person subject to this code serves as an agent or a compensated representative;

(6) "Candidate" means an individual who seeks nomination or election to the General Assembly. An individual is a candidate when the individual:

(a) Files a notification and declaration for nomination for office with the Secretary of State; or

(b) Is nominated for office by his party under KRS 118.105, 118.115, 118.325, or 118.760;

(7) "Charitable organization" means an organization described in 26 U.S.C. Sec. 170(c) as it currently exists or as it may be amended;

(8) "Child" means the unemancipated minor daughter, son, stepdaughter, or stepson;

(9) "Commission" [~~"Board"~~] means the ***Kentucky Legislative*** [~~Board of~~] Ethics ***Commission*** [~~of the Kentucky General Assembly~~];

(10) (a)[~~(2)~~] "Compensation" means***:*** [~~any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another;~~]

1. An advance, salary, conveyance, forgiveness of indebtedness, deposit, distribution, loan, payment, gift, pledge, or transfer of money; or

2. A contract, agreement, promise, or other obligation for an advance, conveyance, forgiveness of indebtedness, deposit, distribution, loan, payment, gift, pledge, or transfer of money for services rendered or to be rendered;

(b) "Compensation" does not include reimbursement of expenses if:

1. The reimbursement does not exceed the amount actually expended for the expenses;

2. It is substantiated by an itemization of expenses; and

3. No portion of the reimbursed expense is used to give anything of value to a legislator, candidate, or the spouse of a legislator or candidate;

(11) "Economic interest" means an interest distinct from that of the general public in a state purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services in which a legislator may gain an economic benefit of fifty dollars ($50) or more;

(12) "Employer" means any person who engages a legislative agent and in the case of a business other than a sole proprietorship or self-employed individual, it means the business entity, and not an individual officer, director, or employee thereof, except when an officer, director, or employee makes an expenditure for which he is reimbursed by the business entity;

(13) "Engage" means to make any arrangement, and "engagement" means any arrangement, by which an individual is employed or retained for compensation to act for or on behalf of an employer to lobby;

(14) "Ethical misconduct" means any violation of the Kentucky Code of Legislative Ethics;

(15) (a) "Expenditure" means any of the following that is made to, at the request of, for the benefit of, or on behalf of any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any of those officials:

1. A payment, distribution, loan, advance, deposit, reimbursement, or gift of money, real estate, or anything of value, including, but not limited to, food and beverages, entertainment, lodging, transportation, or honoraria;

2. A contract, promise, or agreement, to make an expenditure; or

3. The purchase, sale, or gift of services or any other thing of value.

(b) "Expenditure" does not include a contribution, gift, or grant to a foundation or other charitable organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. "Expenditure" does not include the purchase, sale, or gift of services or any other thing of value that is available to the general public on the same terms as it is available to the persons listed in this subsection;

(16) "Family member" means a person:

(a) Who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of an individual; or

(b) Who is a member of the individual's household;

(17) "Filer" means an individual who is required to file a statement of financial interests pursuant to Section 18 of this Act;

(18) (a) "Financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, ownership, or part ownership in common of any real or personal property or any commercial or business enterprise of whatever form or nature between the following:

1. A legislative agent, his employer, or a member of the immediate family of the legislative agent or his employer; and

2. Any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any of the officials listed in this subparagraph;

(b) "Financial transaction" does not include any transaction or activity described in paragraph (a) of this subsection if it is available to the general public on the same terms;

(19) "Former legislator" means a person who previously held a position as a legislator and who no longer holds that position;

(20) "Immediate family" means an unemancipated child residing in an individual's household, a spouse of an individual, or a person claimed by the individual's spouse as a dependent for tax purposes;

[~~(3) "Economic opportunity" means any purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services wherein a legislator may gain an economic benefit;~~]

(21) "Legislation" means bills, resolutions, amendments, nominations, and any other matter pending before the General Assembly or any of its interim committees, or the executive approval or veto of any bill acted upon by the General Assembly;

(22) (a) "Legislative agent" means any individual who is engaged during at least a portion of his time to lobby as one of his official responsibilities.

(b) "Legislative agent" does not include:

1. Any person who limits his lobbying activities to appearing before public meetings of legislative committees, subcommittees or task forces, or public hearings or meetings of public agencies;

2. A private citizen who receives no compensation for lobbying and who expresses a personal opinion; or

3. A public servant acting in his fiduciary capacity as a representative of his agency, college, university, or city, county, urban-county, or charter county government, except persons engaged by a de jure municipal corporation, such as the Kentucky Lottery Corporation or the Kentucky Housing Corporation, institutions of higher education, or local governments, whose primary responsibility during sessions of the General Assembly is to lobby;

(23)[~~(4)~~] "Legislative interest" means a substantial economic interest, distinct from that of the general public, in one (1) or more legislative matters;

(24)[~~(5)~~] "Legislative matter" means any bill, resolution, nomination, or other issue or proposal pending before the General Assembly or any ***interim committee,*** committee, subcommittee, ***task force,*** or commission ***of the General Assembly*** [~~thereof~~];

(25)[~~(6)~~] "Legislator" means a member or member-elect of the General Assembly;

(26) (a) "Lobby" means to promote, advocate, or oppose the passage, modification, defeat, or executive approval or veto of any legislation by direct communication with any member of the General Assembly, the Governor, the secretary of any cabinet listed in KRS 12.250, or any member of the staff of any of the officials listed in this paragraph.

(b) "Lobbying" does not include:

1. Appearances before public meetings of the committees, subcommittees, task forces, and interim committees of the General Assembly;

2. News, editorial, and advertising statements published in newspapers, journals, or magazines, or broadcast over radio or television;

3. The gathering and furnishing of information and news by bona fide reporters, correspondents, or news bureaus to news media described in paragraph (b)2. of this subsection;

4. Publications primarily designed for, and distributed to, members of bona fide associations or charitable or fraternal nonprofit corporations;

5. Professional services in drafting bills or resolutions, preparing arguments on these bills or resolutions, or in advising clients and rendering opinions as to the construction and the effect of proposed or pending legislation, if the services are not otherwise connected with lobbying; or

6. The action of any person not engaged by an employer who has a direct interest in legislation, if the person, acting under Section 1 of the Kentucky Constitution assembles together with other persons for their common good, petitions any official listed in this subsection for the redress of grievances or other proper purposes;

(27) "Person" means an individual, proprietorship, firm, partnership, joint venture, joint stock company, syndicate, business, trust, estate, company, corporation, association, club, committee, organization, or group of persons acting in concert;

(28) "Public servant" means an elected or appointed officer or employee of a federal or state agency, state institution of higher education, or a city, county, urban-county, or charter county government;

[~~(7) "Lobbying" means communicating directly or soliciting others to communicate with any legislator with the purpose of influencing any legislative action;~~

~~(8) "Lobbyist" means "lobbyist" as it is defined in KRS 6.250;~~

~~(9) "Person with whom the legislator maintains a close economic association" means a person associated with the legislator in a partnership, business, or professional service corporation, whether as partner, officer, employee, associate, or otherwise;~~

~~(10) "Member of a legislator's family" means either the legislator's spouse or the legislator's sons or daughters, parents, grandparents, brothers, or sisters, whether of the whole blood or the half blood; and~~]

(29)[~~(11)~~] "State agency" means any department, office, commission, board, or authority within the executive department, and includes state-supported universities and colleges ***but does not include local boards of education; and***

(30) "Through others" means a scheme, artifice, or mechanism, the sole purpose of which is to accomplish by indirect means, using third parties, results which would be unlawful under this code if accomplished directly between a legislator or candidate and another person or entity.

SECTION 5. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The following definitions apply in this code:

(1) "Intentionally" — A person acts intentionally with respect to a result or to conduct described by a statute defining an offense when his conscious objective is to cause that result or to engage in that conduct.

(2) "Knowingly" — A person acts knowingly with respect to conduct or to a circumstance described by a statute defining an offense when he is aware that his conduct is of that nature or that the circumstance exists.

STANDARDS OF CONDUCT

Section 6. KRS 6.775 is amended to read as follows:

A legislator, by himself or through others, shall not intentionally:

(1) [~~No legislator shall~~] Use ***or attempt to use*** his influence as a member of the General Assembly in any matter which involves a substantial conflict between his personal [~~or private~~] interest and his duties in the public interest. ***Violation of this subsection is a Class A misdemeanor;***

(2) [~~No legislator shall~~] Use his official position or office to obtain financial gain for himself, any members of the legislator's family, or ***a business associate of*** [~~persons with whom~~] the legislator***. Violation of this subsection is a Class D felony;*** [~~maintains a close economic association.~~]

(3) [~~No legislator shall~~] Use or attempt to use his official position to secure or create privileges, exemptions, advantages, [~~contracts~~] or treatment for himself or others in ***direct contravention*** [~~derogation~~] of the public interest at large. ***Violation of this subsection is a Class A misdemeanor;***

(4) ***Use public funds, time, or personnel for his private gain or that of another, unless the use is authorized by law. Violation of this subsection is a Class A misdemeanor;***

(5) Use public funds, time, or personnel for partisan political campaign activity, unless the use is:

(a) Authorized by law; or

(b) Properly incidental to another activity required or authorized by law, such as elections to constitutional or party offices within the General Assembly. Violation of this subsection is a Class A misdemeanor;

(6) Use his official legislative stationery, or a facsimile thereof, to solicit a vote or a contribution for his or another person's campaign for election or reelection to public office, or use the great seal of the Commonwealth on his campaign stationery or campaign literature. For purposes of this subsection, "official legislative stationery" means the stationery used by a legislator on a day-to-day basis for correspondence related to his duties as a member of the General Assembly. Violation of this subsection is ethical misconduct.

(7) While in the discharge of the duties of his office, become intoxicated by the use of spiritous, vinous or malt liquors, or any controlled substance, as defined in KRS 218A.010. Any legislator who is unable, incompetent, or disqualified to discharge any of the duties of his office because of the use of spiritous, vinous or malt liquors, or any controlled substance, as defined in KRS 218A.010, shall be deemed to have violated this subsection. Violation of this subsection is ethical misconduct [~~No legislator in order to further his own economic interests, or those of any other person, shall disclose or use confidential information acquired in the course of his official duties.~~

~~(5) No legislator shall receive, directly or indirectly, any interest, profits or perquisites arising from the use or loan of public funds in his hands or to be raised through any agency of the General Assembly.~~

~~(6) No legislator shall act as officer or agent for the Commonwealth or any agency in the transaction of any business with himself, or with any corporation, company, association or firm in which he or his spouse has any interest greater than five percent (5%) of the total value thereof.~~

~~(7) No legislator shall knowingly himself or through any corporation, company, association, firm, partnership, or other enterprise in which he owns or controls an interest of more than five percent (5%), or by any other person for his use or benefit or on his account, undertake, execute, hold or enjoy, in whole or in part, any contract, agreement, sale or purchase of the value of twenty-five dollars ($25) or more, made, entered into, awarded or granted by any state agency, unless the contract, agreement, sale or purchase was made or let after public notice and competitive bidding.~~

~~(8) No legislator shall be in any manner interested, either directly or indirectly, in his own name, or in the name of any member of his family, or in the name of any other person, association, trust, or corporation, in any contract for the performance of any work in the making or letting or administration of which the legislator may be called upon to act or vote. No legislator shall represent, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for any contract or work in regard to which the legislator may be called upon to act or vote. Any contract made and procured in violation hereof shall be void. For the purposes of this subsection, the holding of less than a five percent (5%) interest in any corporation, company, association, firm, partnership, or other enterprise shall not be considered an interest~~].

USE OF CONFIDENTIAL INFORMATION

SECTION 7. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator shall not intentionally disclose or use confidential information acquired in the course of his official duties, if the primary purpose of the disclosure is to further his own economic interest or that of another person. Information shall be deemed confidential if it is not subject to public disclosure pursuant to the Kentucky Open Records Act, KRS 61.872 to 61.884, at the time of its disclosure or use. Violation of this section is a Class D felony.

CONTRACTS WITH STATE GOVERNMENT

SECTION 8. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator or candidate by himself, or through others, shall not intentionally undertake, execute, hold, or enjoy, in whole or in part, any contract, agreement, sale, or purchase of the value of one hundred dollars ($100) or more per transaction, made, entered into, awarded, or granted by any state agency, except:

(1) Contracts, agreements, sales, or purchases between a state agency and a business in which the legislator and his spouse, collectively, own or control an interest of five percent (5%) or less;

(2) Contracts, agreements, sales, or purchases made or let after public notice and competitive bidding;

(3) Contracts, agreements, sales, or purchases which are available on similar terms to members of the legislator's business, occupation, or profession; or

(4) Contracts or agreements entered into prior to the time the legislator became a candidate.

Violation of this section is a Class D felony, and the court upon conviction may void the contract, agreement, sale, or purchase violating this provision.

SALE OR LEASE OF REAL PROPERTY

SECTION 9. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A legislator, his spouse, or any business in which he or his spouse own or control an interest of more than five percent (5%) shall not intentionally lease or sell any facility, building, or other real property to a state agency while the legislator is a member of the General Assembly. This provision shall not apply to sales or leases made under threat of or pursuant to KRS Chapter 416 relating to eminent domain, and does not impair any lawful contract existing on the effective date of this section. This section shall not apply to a lease or sale for a nominal consideration if the lease or sale is preapproved by the commission. Violation of this section is a Class D felony, and the court upon conviction may void any sale or lease violating this provision.

LEGISLATORS' CONDUCT IN RELATION TO STATE AGENCIES

Section 10. KRS 6.795 is amended to read as follows:

(1) ***A*** [~~No~~] legislator, by himself or through others, shall ***not*** use or attempt to use any means to influence a state agency in ***direct contravention*** [~~derogation~~] of the public interest at large. ***Violation of this subsection is ethical misconduct.***

(2) ***A legislator shall not, for compensation, appear before a state agency as an expert witness. A violation of this subsection is ethical misconduct*** [~~Whenever a legislator appears before a state agency he shall avoid all conduct which might in any way lead members of the general public to conclude that he is using his official position to further his professional or personal or private interest~~].

(3) ***A legislator who is properly licensed may, for compensation, represent a client before a state agency in:***

(a) A ministerial function which does not require discretion on the part of the agency, including, but not limited to:

1. Filing corporation charters, reports, and other papers;

2. Filing tax returns;

3. Filing reports required by a state agency;

4. Filing an application to participate in a state or state-administered federal program, generally available to similar classes of persons or business entities.

(b) An adversarial proceeding and negotiations related thereto;

(c) Workers' compensation and special fund proceedings;

(d) Unemployment compensation proceedings; and

(e) All other matters, unless the representation is prohibited by subsections (5) to (7) of this section or the code of professional conduct observed by the profession being practiced [~~No legislator shall, for compensation, appear before a state agency as an expert witness~~].

(4) ***A legislator who is properly licensed may, for compensation, represent a client before a court or trial commissioner in any proceeding not prohibited by the Kentucky rules of professional conduct or by subsections (5) to (7) of this section*** [~~No legislator shall receive or agree to receive compensation for representing any person in any transaction involving the state, provided that this subsection shall not apply to:~~

~~(a) A legislator representing a person when such representation requires the legislator to possess a special license, permit or technical knowledge to properly represent the person;~~

~~(b) An attorney appearing or negotiating on behalf of his client in any matter involving the state in any court in an action involving the state or before any state agency;~~

~~(c) A legislator making inquiry for information on behalf of another from any state agency if no fee or reward is given or promised in consequence thereof;~~

~~(d) A legislator representing a constituent before a state agency if no fee or reward is given or promised in consequence thereof; or~~

~~(e) Any firm or association with which a legislator is associated appearing or rendering services in relation to any matter or transacting business with a state agency unless the fact of that association is used to influence or attempt to influence the state agency in rendering its decision~~].

(5) ***Other than for a ministerial function provided for under subsection (3) of this section, even though properly licensed, a legislator may not, for compensation, represent or engage in negotiations on behalf of a client before or with a state agency in proceedings related to the following matters:***

(a) Contracting for the purchase, sale, rental, or lease of real property, goods, or services from a state agency;

(b) Any proceeding relating to ratemaking;

(c) Adoption, amendment or repeal of any administrative regulation;

(d) Obtaining grants of money or loans;

(e) Licensing or permitting, but not including matters related to driver licensing; or

(f) Any proceeding before the Public Service Commission.

(6) A legislator who is licensed in any profession shall not, for compensation, represent the Commonwealth or any state agency.

(7) A legislator who is an attorney shall not for compensation maintain an action for the purpose of receiving money damages against the Commonwealth in which the Commonwealth is the principal defendant or against a state agency in which the agency is the principal defendant. This subsection shall not apply to:

(a) An appeal of an action by the state against the client;

(b) Cases before the Workers' Compensation Board, including cases in which the special fund is a party; and

(c) Unemployment compensation cases.

(8) A legislator who is properly licensed who has a partner who is also properly licensed and whose partner practices cases which the legislator is precluded from handling under the provisions of this section shall report to the commission in the report required under Section 23 of this Act, the names of the agencies before which the partners practiced and the names of the clients represented by the partners.

(9) A [~~No~~] legislator shall ***not*** receive or enter into any express or implied agreement to receive compensation for services to be rendered in relation to any case, proceeding, application, or other matter before any state agency, ***in which*** [~~whereby~~] his compensation is to be dependent or contingent upon any action by ***the*** [~~such~~] agency [~~with respect to any license, contract, certificate, ruling, decision, opinion, rate schedule, franchise or other benefit other than a monetary claim. Nothing in this section shall be deemed to prohibit the fixing at any time of fees based upon the usual and customary value of the services rendered~~]. ***Violation of this subsection is ethical misconduct.***

[~~(6) No legislator shall knowingly receive or agree to receive, directly or indirectly, compensation for any services to be rendered, either by himself or another, in negotiations with the state or an agency as defined in KRS 45A.335 for the purchase by the state or an agency of an interest in real property. This section shall not apply to appearances before any court.~~

~~(7) No legislator shall enter into any agreement, expressed or implied, for compensation for services in connection with any judicial or administrative proceeding before a state agency wherein his official position might reasonably be expected to give him unusual influence.~~]

(10)[~~(8)~~] ***If*** [~~Whenever~~] a legislator considers entering into an agreement for compensation for representing any person in any transaction involving the state, he ***shall*** [~~should~~] consider the following factors:

(a) Whether the matter is being brought to him in an attempt to obtain improper influence over the state agency;

(b) Whether there is a reasonable possibility that the action of the state agency will be unduly influenced because of his participation; or

(c) The effect of his participation on public confidence in the integrity of the Legislature.

HONORARIA PROHIBITED

SECTION 11. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislator shall not accept any compensation in consideration for an appearance, speech, or article unless the appearance, speech, or article is both related to the legislator's employment outside the General Assembly and is unrelated to his position as a legislator.

(2) A legislator may accept prepaid transportation, food, and lodging or be reimbursed for actual expenses for out-of-state travel associated with the performance of his duties as a legislator if he obtains prior approval of the travel from a majority of the Legislative Research Commission. The reimbursement of expenses pursuant to this subsection shall be reported to the Legislative Research Commission.

(3) Violation of this section is ethical misconduct.

ACCEPTANCE OF ADDITIONAL COMPENSATION OR GIFTS FOR PERFORMANCE OF LEGISLATIVE DUTIES PROHIBITED

Section 12. KRS 6.790 is amended to read as follows:

(1) ***A*** [~~No~~] legislator shall ***not knowingly*** accept compensation, other than that provided by law for members of the General Assembly, for performance of his legislative duties. No person, other than state officials or employees performing their duties in making payments to members of the General Assembly as provided by law, may pay or offer to pay any person any compensation for performance of his legislative duties. ***Violation of this subsection is a Class A misdemeanor.***

(2) ***A*** [~~No~~] legislator ***or his spouse*** shall ***not*** solicit, accept, or agree to accept ***anything of value from a legislative agent or an employer. Violation of this subsection is a Class B misdemeanor***[~~, gifts, loans, gratuities, discounts, favors, or services having an aggregate value of $200 or more during a biennial period and twelve (12) months thereafter from any one person known to have legislative interests, under circumstances from which it could reasonably be inferred that a major purpose of the donor is to influence him in the performance of his official duties.~~

~~This subsection does not apply to:~~

~~(a) Any political contribution, including the purchase of tickets to, or advertisements in journals, for political or testimonial dinners, if such contribution is actually used for political purposes and is not given under circumstances from which it could reasonably be inferred that the purpose of the donor is to substantially influence the member in the performance of his official duties.~~

~~(b) A usual and customary commercial loan made in the ordinary course of business.~~

~~(3) A legislator may accept contributions from private sources for use in defraying the expenses necessarily related to the adequate performance of his legislative duties, but any legislator accepting such contributions shall file, at such time, in such manner, and in such detail, as the board may prescribe, a written statement with the board describing the amount of such contributions and the uses to which they are put~~].

NEPOTISM PROHIBITED

SECTION 13. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A member of a legislator's family shall not be employed or appointed to an office or position in the legislative branch of state government.

(2) A legislator shall not advocate or cause the employment, appointment, promotion, transfer, or advancement of a member of the legislator's family to an office or position in the executive branch of state government.

(3) A legislator shall not participate in any action relating to the disciplining of a member of the legislator's family in the legislative or executive branch of state government.

(4) Subsection (1) of this section does not apply to a member of a legislator's family who is employed or appointed to an office or position in the legislative branch of state government prior to the legislator's election to the General Assembly or prior to the effective date of this Act.

(5) Violation of this section is ethical misconduct.

POST-TERM LOBBYING

SECTION 14. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A former legislator shall not be a legislative agent, other than for a public agency, until after two (2) years have elapsed since the date the legislator left office.

(2) A legislator shall not be a legislative agent.

(3) Violation of this section is ethical misconduct.

CONFLICT OF INTEREST

SECTION 15. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislator shall not intentionally participate in the discussion of a question in committee or on the floor of the General Assembly, vote, or make a decision in his official capacity on any matter:

(a) In which he, or any member of his family, or the legislator's business associate will derive a direct monetary gain or suffer a direct monetary loss as a result of his vote or decision; or

(b) Which relates specifically to a business in which he owns or controls an interest of ten thousand dollars ($10,000) or more, or an interest of more than five percent (5%).

Violation of this provision is a Class D felony. The provisions of this subsection notwithstanding, a legislator may vote on legislation affecting his salary, expenses, benefits, and allowances, as provided by law. The provisions of this subsection notwithstanding, a legislator may participate in the discussion of the question in committee and on the floor of the General Assembly, vote, or make a decision on a matter if any benefit or detriment which accrues to the member of the General Assembly, as a member of a business, profession, occupation, or other group, or to a member of his family or a business interest specified in subsection (1)(b) of this section is of no greater extent than the benefit or detriment which accrues generally to other members of the business, profession, occupation, or other group;

(2) A legislator who has a personal or private interest in a bill proposed or pending before the General Assembly shall be subject to the limitations of Section 57 of the Constitution of Kentucky, which provides that the legislator shall disclose his interest to the house of which he is a member and refrain from voting upon pain of expulsion. A member shall disclose his interest by filing a disclosure statement with the clerk or by a verbal announcement to the body.

(3) The right of legislators to represent their constituencies, however, is of such major importance that legislators should be barred from voting on matters of direct personal interest only in clear cases and if the matter is particularly personal.

INCOMPATIBLE OFFICES

Section 16. KRS 6.800 is amended to read as follows:

(1) ***A*** [~~No~~] legislator shall ***not*** accept any appointment as an officer or employee of the Commonwealth or any state agency except as provided in subsection ***(3)*** [~~(2)~~] of this section and in Section 165 of the Constitution unless he shall have first resigned his membership in the General Assembly, and it shall be unlawful for the State Treasurer to pay any salary by reason of ***the*** [~~such~~] appointment until the resignation has been received by the presiding officer of the house of which he is a member. ***Violation of this subsection is ethical misconduct.***

(2) ***A legislator shall not accept any appointment or serve as a member of the governing body of any entity created pursuant to the statutes listed in KRS 65.060 which has the statutory authority to levy taxes or to set rates unless he shall have first resigned his membership in the General Assembly. Violation of this provision is ethical misconduct.***

(3) Notwithstanding the provisions of subsection (1) of this section, a legislator may serve on the faculty ***or staff*** of any of the state universities or community colleges or as an employee of a local public school board without resigning his membership in the General Assembly.

[~~(3) No legislator shall, while in the discharge of the duties of his office, become intoxicated by the use of spiritous, vinous or malt liquors. Any legislator who is unable, incompetent or disqualified to discharge any of the duties of his office because of the use of spiritous, vinous or malt liquors shall be deemed to have violated this subsection.~~

~~(4) No legislator shall engage in conduct which constitutes a breach of public trust.~~]

CAMPAIGN CONTRIBUTIONS FROM LEGISLATIVE AGENTS PROHIBITED

SECTION 17. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A member of the General Assembly, candidate for the General Assembly, or his campaign committee shall not accept a campaign contribution from a legislative agent. Violation of this provision is ethical misconduct. It shall be a complete defense if the legislator or candidate receives a campaign contribution from a legislative agent, which fact is unknown to the legislator or candidate at the time of receipt, if the legislator or candidate either returns the contribution within fourteen (14) days of receipt and within fourteen (14) additional days makes that fact, together with the name of the contributor, amount of the contribution, and the date of return or payment known, in writing to the commission. It shall also be a defense if a legislator or candidate receives a campaign contribution from a legislative agent whose name does not yet

appear on the list of legislative agents furnished to the Legislative Research Commission if the legislator or candidate returns the campaign contribution within fourteen (14) days of the Legislative Research Commission's receipt of the list bearing the name of the legislative agent and makes the written disclosure to the commission required in this subsection. The fourteen (14) day time periods shall be tolled upon the filing with the commission of a request for an advisory opinion regarding the campaign contribution. Upon the issuance of the opinion or decision not to render an opinion, the fourteen (14) day period shall resume.

FINANCIAL DISCLOSURE

SECTION 18. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The following individuals shall file a sworn statement of financial interests with the commission:

(1) Members of the General Assembly;

(2) All candidates and nominees for election to the General Assembly; and

(3) Major management personnel in the legislative branch of state government, including the director, deputy directors, and assistant directors of the Legislative Research Commission.

SECTION 19. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Sections 18 to 24 of this Act do not require the disclosure of financial information concerning the following:

(1) A spouse separated from a filer;

(2) A former spouse of a filer;

(3) A gift or loan to or from a family member;

(4) A campaign contribution permitted and reported pursuant to KRS Chapter 121 or 121A; or

(5) A gift or loan from a wholly-owned family business.

SECTION 20. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The statement of financial interests required by Section 18 of this Act shall be filed with the commission for the preceding calendar year by no later than February 15 of each year, complete through December 31 of the preceding year, except that:

(a) A candidate nominated by his party under KRS 118.105, 118.115, 118.325, or 118.760 shall file his statement no later than twenty-one (21) days after the date of his nomination; and

(b) An individual appointed to a position listed in Section 18(3) of this Act shall file his initial statement no later than twenty-one (21) days after the date of his appointment.

(2) The commission may grant a reasonable extension of time for filing a statement of financial interests for good cause shown.

SECTION 21. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall notify by certified mail each person required to file a statement of financial interests who fails to file the statement in a timely manner, completely, or in the form required by the commission. The notice shall specify the type of failure or delinquency and shall advise the person of the penalties for violation of this section.

(2) (a) Any person who fails to file the statement or who fails to remedy a deficiency in his filing identified by the commission in the notice under subsection (1) of this section in a timely manner may be fined by the commission an amount not to exceed one hundred dollars ($100) per day, up to a maximum total fine of one thousand dollars ($1,000).

(b) Any person who intentionally files a statement of financial interests which he knows to contain false information or to omit required information shall be guilty of a Class A misdemeanor.

SECTION 22. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Upon receipt by the commission, a statement of financial interests shall be a public record available for copying. A statement may be reviewed and copied at the office of the commission during ordinary business hours.

(2) A statement of financial interests shall be retained by the commission for five (5) years after filing in a form, including microfilming, that shall facilitate document retention, except that:

(a) Upon the expiration of three (3) years after an individual ceases to be a member of the General Assembly, or an individual employed in a position listed in Section 18(3) of this Act ceases to be employed in that position, the commission shall destroy any statements of financial interests or copies of those statements filed by the individual and which are in the possession of the commission, unless the individual is otherwise required to file a statement; and

(b) Upon the expiration of three (3) years after any election at which a candidate for the General Assembly was not elected or nominated, the commission shall destroy any statements of financial interests or copies of those statements filed by him as a candidate, unless the individual is otherwise required to file a statement.

SECTION 23. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The statement of financial interests required by Section 18 of this Act shall be filed on a form prescribed by the commission. The commission shall provide copies of the form without charge to any person required to file.

(2) The statement shall include the following information for the preceding calendar year:

(a) Name, business address, business telephone number, and home address of the filer;

(b) Title of the filer's public position or office sought;

(c) Any other occupations of filer and spouse;

(d) Positions held by the filer or his spouse in any business, partnership, corporation for profit, or corporation not for profit from which the filer receives compensation, and the name of that business, partnership, or corporation;

(e) Names and addresses of all businesses, investments, or securities in which the filer, his spouse, or children has or had at any time during the preceding year an interest of ten thousand dollars ($10,000) at fair market value or five percent (5%) ownership interest or more;

(f) Sources of gross income of the filer and his spouse, information concerning the source, and the form of the income;

(g) All positions of a fiduciary nature in a business;

(h) A designation as commercial, residential, or rural, and the location of all real property, other than the filer's primary residence, in which there is an interest of ten thousand dollars ($10,000) or more held by the filer, his spouse, or children;

(i) Sources of gifts of money or property with a retail value of more than two hundred dollars ($200) to the filer or the filer's immediate family, except those from a member of the filer's family;

(j) The name of any creditor owed more than ten thousand dollars ($10,000), except debts arising from the purchase of consumer goods. As used in this paragraph, the term "consumer goods" has the same meaning as in KRS 355.9-109;

(k) The name of any legislative agent who is:

1. A member of the filer's immediate family;

2. A partner of the filer, or a partner of a member of the filer's immediate family;

3. An officer or director of the filer's employer;

4. An employer of the filer or an employer of a member of the filer's immediate family; or

5. A business associate of the filer or a business associate of a member of the filer's immediate family;

(l) The names of any of the filer's clients who are legislative agents or employers; and

(m) An answer to the question, "If you have held a professional license during the filing period, has a properly licensed partner of yours engaged in the practice of cases or other matters which you are prohibited from practicing under Section 10 of this Act?" If the filer responds affirmatively, he shall also list the names of the clients represented and list the agencies before which the partner made an appearance. These lists shall be separate and need not identify which client was represented before a specific agency.

(3) Paragraphs (a) to (j) of subsection (2) of this section shall not require disclosure of specific dollar amounts. Paragraph (f) shall not require the disclosure of the names of clients or customers of business entities listed as sources of income.

SECTION 24. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

A filer submitting a statement of financial interests within ten (10) days of the statutory deadline or the deadline authorized by the commission shall be subject to no penalty.

LEGISLATIVE LOBBYING

SECTION 25. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

The General Assembly finds and declares the following:

(1) The operation of open and responsible government requires the fullest opportunity to be afforded to the people to petition their government for the redress of grievances and to express freely their opinions on executive and legislative action.

(2) The identity and expenditures of certain persons who attempt to influence executive and legislative actions should be publicly identified and regulated to preserve and maintain the integrity of government.

SECTION 26. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislative agent or employer shall not knowingly fail to register, as required under Section 27 of this Act.

(2) A legislative agent or employer shall not knowingly fail to keep a receipt or maintain a record which Section 29 of this Act requires the person to keep or maintain.

(3) A person shall not knowingly fail to file a statement that Section 27, 29, or 30 of this Act requires the person to file.

(4) A legislative agent or employer shall not knowingly offer, give, or agree to give anything of value to a legislator, his spouse, or child.

(5) A legislative agent shall not serve as a campaign treasurer, or as a fundraiser as set forth in KRS 121.170(2) for a candidate or legislator.

(6) A legislative agent shall not make a campaign contribution to a legislator, a candidate, or his campaign committee.

(7) (a) A legislative agent or agents and their employer shall not collectively spend more than one hundred dollars ($100) in a calendar year on the purchase of food and beverages consumed on the premises for each legislator and his immediate family, collectively.

(b) A legislative agent shall not spend more than one hundred dollars ($100) in a calendar year on the purchase of food and beverages consumed on the premises for each legislator and member of a legislator's immediate family, collectively. This provision shall apply regardless of the number of employers by whom the legislative agent is engaged.

(8) An employer shall not knowingly employ, appoint, or retain a serving legislator or former legislator as a legislative agent until at least two (2) years have elapsed from the date on which he vacated his office.

(9) No person shall engage any person to lobby in exchange for compensation that is contingent in any way upon the passage, modification, or defeat of any legislation. No person shall accept any engagement to lobby in exchange for compensation that is contingent in any way upon the passage, modification, or defeat of any legislation. Violation of this provision is a Class D felony.

(10) A legislative agent or other lobbyist shall not go upon the floor of either house of the General Assembly while the house is in session, except upon invitation of that house. Violation of this provision is a Class B misdemeanor.

(11) If any legislative agent or employer violates any provision in subsections (4) to (8) of this section, he shall for the first violation be guilty of ethical misconduct. For the second and each subsequent violation, he shall be guilty of a Class D felony.

SECTION 27. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each legislative agent and employer, within seven (7) days following engagement of a legislative agent, shall file with the commission an initial registration statement listing the following:

(a) The name, business address and telephone number, and occupation of the legislative agent;

(b) The name, brief description of the nature of the business, business address and telephone number of the employer, and the real party in interest on whose behalf the legislative agent is lobbying, if it is different from the employer. For the purposes of this section, if a trade association or other charitable or fraternal organization that is exempt from federal income taxation under Section 501(c) of the Internal Revenue Code is the employer, the statement shall not list the names and addresses of each member of the association or organization, if the association or organization itself is listed;

(c) The name, bill number, or a brief description of the legislative action for which the legislative agent is or will be engaged in lobbying;

(d) The date on which the legislative agent was engaged; and

(e) Certification by the employer and legislative agent that the information contained in the registration statement is complete and accurate.

(2) The registration shall be valid through the next thirty-first day of December of an odd-numbered year, unless previously terminated.

(3) (a) In addition to the initial registration statement required by subsection (1) of this section, each legislative agent and employer shall file an updated registration statement with the commission to be received by the commission, not later than 4 p.m. on the fifteenth day of January, February, March, April, and May, and the fifteenth day of September of each even-numbered year, and the fifteenth day of January, May, and September in each odd-numbered year, for the period since the end of the period covered by the previous report until the last day of the month preceding the filing date. The commission may grant a reasonable extension of time for filing the updated registration statement for good cause shown.

(b) The updated registration statement shall confirm the continuing existence of each engagement described in an initial registration statement, and list the specific bills or resolutions on which the agent lobbied under that engagement during the period covered by the updated statement. Any statement of expenditures required to be filed by Section 29 of this Act and any details of financial transactions required to be filed by Section 30 of this Act shall be filed with the updated registration statement.

(4) If a legislative agent is engaged by more than one employer, the agent shall file a separate initial and updated registration statement for each engagement. If an employer engages more than one legislative agent, the employer shall file only one updated registration statement under subsection (3) of this section, which shall contain the information required by subsection (3) of this section regarding all legislative agents engaged by the employer.

(5) (a) A change in any information required by subsection (1)(a), (b), or (c) of this section shall be reflected in the next updated registration statement filed under subsection (3) of this section.

(b) Within thirty (30) days after the termination of an engagement, the legislative agent who was employed under the engagement shall file written notice of the termination with the commission.

(6) Upon registration pursuant to subsection (1) of this section, the legislative agent shall be issued a card by the commission, showing that the legislative agent is registered. The registration card shall be valid from the date of its issuance through the next thirty-first day of December of an odd-numbered year.

(7) Any legislative agent or employer who fails to file the initial registration statement or updated registration statement, or who fails to remedy a deficiency in any filing in a timely manner, may be fined by the commission an amount not to exceed one hundred dollars ($100) per day, up to a maximum total fine of one thousand dollars ($1,000).

(8) Any legislative agent or employer who intentionally fails to register shall be guilty of a Class D felony.

SECTION 28. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Each employer of one (1) or more legislative agents shall pay a registration fee of two hundred fifty dollars ($250) to the commission.

(2) All fees collected by the commission under the provisions of this section shall be deposited in the State Treasury in a trust and agency fund account to the credit of the commission. These agency funds shall be used to supplement general fund appropriations to the commission.

SECTION 29. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) With the updated registration statement required by subsection (3) of Section 27 of this Act, each legislative agent and each employer shall file a statement of expenditures as provided in subsections (2), (3) and (4) of this section. A legislative agent shall file a separate statement of expenditures for each employer engaging him.

(2) If an employer or any legislative agent whom he engaged made expenditures, either separately or in combination with each other, either directly or indirectly, for food and beverages consumed on the premises on behalf of any particular member of the General Assembly or his immediate family, the employer or legislative agent shall also state the following:

(a) The name of the legislator or member of his immediate family on whose behalf the expenditures were made;

(b) The total amount of the expenditures made;

(c) A brief description of the expenditures made; and

(d) The approximate date the expenditures were made.

(3) In addition to the information required by subsection (2) of this section, a statement filed by a legislative agent shall show:

(a) The total amount of lobbying expenditures made by the legislative agent during the reporting period covered by the statement, whether or not reimbursed by the employer; and

(b) Cumulative amounts, except personal expenses, expended by the legislative agent for food, beverages, lodging, transportation, entertainment, and other expenses directly associated with the legislative agent's lobbying activities during the reporting period.

(4) (a) In addition to the information required by subsection (2) of this section, a statement filed by an employer shall list:

1. The total amount of lobbying related expenditures made by the employer filing the statement during the period covered by the statement;

2. A complete and itemized account of all amounts expended for receptions or other events held under subsection (5) of this section, including the date and location of the event and the name of the group of public servants invited to the event;

3. A complete and itemized account of all other amounts expended for lobbying, including food and lodging expenses and reimbursements, and not including personal expenses incurred by an employer or a legislative agent; and

4. The cumulative compensation paid to legislative agents, prorated to reflect the time the legislative agents were engaged in lobbying during the period covered by the statement.

(b) No employer is required to show any expenditure on a statement filed under this subsection if the expenditure is reported on a statement filed under subsection (2) of this section by a legislative agent engaged by the employer.

(5) (a) Any statement required to be filed under this section shall be filed at the times specified in Section 27 of this Act. Each statement shall cover expenditures made during the period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(b) No portion of the amount of an expenditure for a dinner, party, or other function sponsored by an employer or legislative agent shall be attributed to, or counted toward the amount for a calendar year if the event qualifies under Section 4(2)(b)8., 11., or 12. of this Act.

(c) The amount spent for a function described in paragraph (b) of this subsection shall be added with other expenditures to determine the total amount of expenditures reported in the statement under subsections (2) and (3) of this section.

(d) If it is impractical or impossible for a legislative agent or employer to determine exact dollar amounts or values of expenditures, reporting of good faith estimates, based upon reasonable accounting procedures, constitutes compliance with this subsection.

(6) All legislative agents and employers shall retain receipts or maintain records for all expenditures that are required to be reported pursuant to this section. These receipts or records shall be maintained for a period ending on the thirty-first day of December of the second calendar year after the year in which the expenditure was made.

(7) Any legislative agent or employer who fails to file a required statement of expenditures, or who fails to remedy any deficiency in his filing in a timely manner may be fined by the commission an amount not to exceed one hundred dollars ($100) per day, up to a maximum total fine of one thousand dollars ($1,000).

(8) Any legislative agent or employer who intentionally files a statement of expenditures which he knows to contain false information or to omit required information shall be guilty of a Class D felony.

SECTION 30. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) Any legislative agent who has had any financial transaction with or for the benefit of any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any of the officials listed in this subsection shall describe the details of the transaction, including the name of the official or employee, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the updated registration statement required by subsection (3) of Section 27 of this Act. The statement shall be filed at the times specified in Section 27 of this Act. Each statement shall describe each financial transaction that occurred during the filing period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(2) Except as provided in subsection (3) of this section, any employer who has had any financial transaction with or for the benefit of any member of the General Assembly, the Governor, the secretary of a cabinet listed in KRS 12.250, or any member of the staff of any official listed in this subsection shall describe the details of the transaction, including the name of the official, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the updated registration statement required by subsection (3) of Section 27 of this Act. The statement shall be filed at the times specified in Section 27 of this Act. Each statement shall describe each financial transaction that occurred during the filing period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(3) No employer shall be required to file any statement under this section or to deliver a copy of the statement to a public official with whom or for whose benefit the transaction was made if the financial transaction to which the statement pertains is reported by a legislative agent engaged by the employer.

(4) Any legislative agent or employer who fails to file a required statement of financial transactions, or who fails to remedy any deficiency in his filing in a timely manner, may be fined by the commission an amount not to exceed one hundred dollars ($100) per day, up to a maximum total fine of one thousand dollars ($1,000).

(5) Any legislative agent or employer who intentionally files a statement of financial interests which he knows to contain false information or to omit required information shall be guilty of a Class D felony.

SECTION 31. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) An employer or legislative agent who is required to file a statement describing an expenditure or a financial transaction shall deliver a copy of the statement to the official with whom or for whose benefit the transaction was made at least ten (10) days before the date on which the statement is filed.

(2) If a dispute arises between any member of the General Assembly or a member of the staff of the General Assembly and an employer or legislative agent with respect to an expenditure or financial transaction alleged in a statement to be filed under Section 29 or 30 of this Act, the member, employer, or legislative agent may file a complaint with the commission. The commission shall proceed to investigate the complaint in the same manner as set out in Section 39 of this Act. The commission shall notify the parties of its final decision by certified mail. If the commission decides the disputed expenditure or financial transaction should be reported, the employer or legislative agent shall include the matter in an amended statement and file the amended statement not later than ten (10) days after the employer or agent receives notice of the decision of the committee by certified mail.

(3) An employer or legislative agent who files a false statement of expenditures or details of a financial transaction is liable in a civil action to any official or employee who sustains damage as a result of the filing or publication of the statement.

SECTION 32. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall review each registration statement, expenditure statement, and financial transaction statement filed with the commission, to determine whether the statement includes all the information required. If the statement does not include all the required information, or a legislative agent or employer has failed to file a registration statement, the commission shall send notification by certified mail to the person who filed the statement regarding the deficiency in the statement, or to the person who failed to file the statement regarding that failure. Any person so notified by the commission shall, not later than ten (10) days after receiving the notice, file a registration statement or an amended statement that does include all the information required.

(2) The commission shall keep on file the statements required by Sections 27, 29, and 30 of this Act. Those statements are public records and open to public inspection, and the commission shall computerize them so that the information contained in them is readily accessible to the general public. The commission shall provide copies of the statements to the general public upon request and may charge a reasonable fee not to exceed the cost of copying each statement.

(3) The commission shall prescribe and make available an appropriate form for filing the information required by Sections 27, 29, and 30 of this Act. The form shall contain the following notices in boldface type: "ANY PERSON WHO KNOWINGLY FILES A FALSE STATEMENT IS IN VIOLATION OF STATE LAW AND SUBJECT TO FINES AND OTHER PENALTIES."

(4) The commission shall publish a handbook that explains this code in clear and concise language, and make it available free of charge to members of the General Assembly, legislative agents, employers, and any other interested persons.

(5) On or before the fifteenth day of February of each year, the commission shall, in a manner and form it determines, publish a report containing statistical information on the registration statements filed with it during the preceding year.

(6) Any regulations promulgated by the commission to implement this code shall be adopted in accordance with KRS Chapter 13A.

ETHICS EDUCATION AND TRAINING

SECTION 33. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall establish and supervise a program of ethics education and training including, but not limited to, preparing and publishing an ethics education manual, designing and supervising orientation courses for new legislators, and designing and supervising current issues seminars for legislators.

(2) The commission shall establish, supervise, and conduct a program of ethics education and training designed specifically for and made available to legislative agents.

SECTION 34. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The ethics education manual shall include, but not be limited to, ethics statutes, administrative regulations, explanations of purposes and principles underlying the laws, explanations of technical and specific legal requirements, examples of practical applications of the laws and principles, a questions-and-answers section regarding common problems and situations, summaries of advisory opinions, and any other information which would inform legislators about the required standards of conduct and assist them in applying those standards to specific situations.

(2) The commission shall provide for the distribution of the manual to legislators. The commission shall distribute the first manual no later than one hundred twenty (120) days after appointment of the commission. On or before January 1, 1995, the commission shall distribute a supplement including, but not limited to, updates, additions, and revisions. Thereafter, the commission shall distribute revised and updated versions of the manual on or before January 1 of each odd-numbered year.

(3) Copies of the manual shall be made available to the public for a reasonable fee, not to exceed the actual cost, but not including the cost of staff required.

SECTION 35. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall design the general curriculum of orientation courses, which shall include, but not be limited to, explanations and discussions of the ethics laws, administrative regulations, relevant internal policies, specific technical and legal requirements, summaries of advisory opinions, underlying purposes and principles of ethics laws, examples of practical application of the laws and principles, and a question-and-answer participatory segment regarding common problems and situations. The commission shall prepare the methods and materials necessary to implement the curriculum.

(2) The commission shall:

(a) Administer the orientation courses for legislators;

(b) Designate instructors to conduct their courses who shall be trained by the commission; and

(c) Notify legislators regarding attendance in these courses.

(3) The orientation courses shall be conducted in January of each odd-numbered year. Each course shall be at least six (6) hours in length and shall be designed for approval by the Kentucky Bar Association for continuing legal education ethics credits which the bar association may require.

(4) To facilitate participant interaction, those portions of the courses dedicated to group participation shall be closed to the public.

(5) Each legislator shall complete the initial orientation course offered under Section 35 of this Act. Each legislator elected after the initial orientation course shall complete the next orientation course conducted. The commission may grant permission for a legislator to attend a later course for good cause shown.

SECTION 36. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall design the general curriculum of a current issues seminar, which shall include, but not be limited to, discussion of changes in the ethics laws and administrative regulations, new advisory opinions, current ethical issues confronting public servants, practical application of ethics laws and principles to specific issues and situations, and development of problem-solving skills. The commission shall prepare the methods and materials necessary to implement the curriculum.

(2) The commission shall:

(a) Administer the current issues seminars for legislators;

(b) Designate instructors to conduct their current issues courses who shall be trained by the commission; and

(c) Notify legislators regarding attendance in these seminars.

(3) The current issues seminars shall be conducted in January of each year. Each course shall be at least three (3) hours in length and shall be designed for approval by the Kentucky Bar Association for continuing legal education ethics credits which the bar association may require.

(4) To facilitate participant interaction, those portions of the seminars dedicated to group participation shall be closed to the public.

(5) Each legislator, after completion of an orientation training course, shall complete one (1) current issues seminar annually.

KENTUCKY LEGISLATIVE ETHICS COMMISSION

SECTION 37. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky Legislative Ethics Commission is established as an independent authority and shall be an agency of the legislative department of state government.

(2) The commission shall be composed of nine (9) members, not less than three (3) of whom shall be members of the largest minority party in the state. The members shall be appointed in the following manner: four (4) members shall be appointed by the President of the Senate (one (1) to be a former legislator, one (1) to be a vested member of the Judicial Retirement System, and two (2) to be selected (one (1) from each list) from lists provided pursuant to subsection (3) of this section), and four (4) members shall be appointed by the Speaker of the House (one (1) to be a former legislator, one (1) to be a vested member of the Judicial Retirement System, and two (2) to be selected (one (1) from each list) from lists provided pursuant to subsection (3) of this section). One (1) member shall be appointed by the Legislative Research Commission. No member of the General Assembly shall be eligible for appointment to the commission.

(3) The following persons or organizations shall each submit a list of three (3) names to the President of the Senate or to the Speaker of the House of Representatives, as appropriate, for consideration for appointment to the commission. Each list shall contain at least one (1) registered voter from the majority political party and at least one (1) registered voter from the largest minority political party in the state. The lists shall be submitted by:

(a) The Attorney General who submits his list to the President of the Senate;

(b) The Auditor of Public Accounts who submits his list to the Speaker of the House;

(c) The Judicial Retirement and Removal Commission which submits its list to the President of the Senate; and

(d) The Registry of Election Finance which submits its list to the Speaker of the House.

Initial lists shall be submitted within forty-five (45) days of the effective date of this Act.

(4) The members of the commission shall be appointed within sixty (60) days of the effective date of this Act. The Speaker of the House shall appoint one (1) member for an initial term of one (1) year, one (1) for a term of two (2) years, one (1) for a term of three (3) years, and one (1) for a term of four (4) years; the President of the Senate shall appoint one (1) member for a term of two (2) years, one (1) member for an initial term of three (3) years, and two (2) members for a term of four (4) years. The Legislative Research Commission shall appoint one (1) member for an initial term of three (3) years. Thereafter all appointments shall be for a full four (4) years.

(5) Vacancies shall be filled by appointment by the original appointing authority in the same manner as the original appointments.

(6) Each member shall be a citizen of the United States and a resident of this Commonwealth. A member of the commission shall not be a public servant, other than in his capacity as a member of the commission or in his capacity as a special judge; a candidate for any public office; a legislative agent; an employer of a legislative agent; or a spouse or child of any of these individuals while serving as a member of the commission. In the two (2) years immediately preceding the date of his appointment, a member shall not have served as a fundraiser, as defined in KRS 121.170(2), for a candidate for Governor or the General Assembly.

(7) Except as provided in subsection (4) of this section, a member of the commission shall serve a term of four (4) years and may be reappointed.

(8) While serving on the commission, a member shall not:

(a) Serve as a fundraiser for a slate of candidates for Governor and Lieutenant Governor, or candidate for Attorney General, Auditor of Public Accounts, or the General Assembly;

(b) Contribute to a slate of candidates for Governor and Lieutenant Governor, or candidate for Attorney General, Auditor of Public Accounts, or the General Assembly;

(c) Serve as an officer in a political party; or

(d) Participate in the management or conduct of the political campaign of a candidate.

(9) A member shall be removed only by the Legislative Research Commission, and only for cause.

SECTION 38. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission may employ an executive director who shall serve at the pleasure of the commission.

(2) The executive director shall:

(a) Administer the daily business of the commission and perform the duties assigned by the commission; and

(b) Employ and remove other personnel as necessary to carry out the provisions of this code.

(3) The commission shall fix the compensation of its staff, and the compensation shall be commensurate with that paid to executive branch officials with a similar level of responsibilities.

(4) The staff of the commission shall be exempt from the provisions of KRS 18A.005 to 18A.202.

(5) A member of the staff of the commission during his term of employment shall be subject to the provisions of subsection (8) of Section 37 of this Act.

SECTION 39. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) (a) Upon a complaint signed under penalty of perjury by any person, or upon its own motion, the commission shall investigate any alleged violation of this code.

(b) Not later than ten (10) days after the commission receives the complaint, the commission shall initiate a preliminary inquiry into any alleged violation of this code.

(c) Within thirty (30) days of the commencement of the inquiry, the commission shall forward a copy of the complaint and a general statement of the applicable law to the person alleged to have committed a violation.

(2) All commission proceedings and records relating to ~~a~~ preliminary investigation shall be confidential until a final determination is made by the commission, except:

(a) The commission may turn over to the Attorney General, the United States Attorney, Commonwealth's attorney, or county attorney of the jurisdiction in which the offense allegedly occurred, evidence which may be used in criminal proceedings; and

(b) If the complainant or alleged violator publicly discloses the existence of a preliminary investigation, the commission may publicly confirm the existence of the inquiry and, in its discretion, make public any documents which were issued to either party.

(3) The commission shall afford a person who is the subject of a preliminary investigation an opportunity to respond to the allegations in the complaint. The person shall have the right to be represented by counsel, to appear and be heard under oath, and to offer evidence in response to the allegations in the complaint.

(4) If the commission determines in the preliminary investigation that the complaint does not allege facts sufficient to constitute a violation of this code, the commission shall immediately terminate the inquiry and notify in writing the complainant and the person alleged to have committed a violation. The commission may confidentially inform the alleged violator of potential violations and provide information to ensure future compliance with the law. If the alleged violator publicly discloses the existence of such action by the commission, the commission may confirm the existence of the action and, in its discretion, make public any documents which were issued to the alleged violator.

(5) If the commission, during the course of the preliminary investigation, finds probable cause to believe that a violation of this code has occurred, the commission shall notify the alleged violator of the finding, and the commission may, upon majority vote:

(a) Due to mitigating circumstances such as lack of significant economic advantage or gain by the alleged violator, lack of significant economic loss to the state, or lack of significant impact on public confidence in government, confidentially reprimand, in writing, the alleged violator for potential violations of the law and provide a copy of the reprimand to the presiding officer of the house in which the alleged violator serves, or the alleged violator's employer, if the alleged violator is a legislative agent. If the alleged violator publicly discloses the existence of such an action, the commission may confirm the existence of the action and, in its discretion, make public any documents which were issued to the alleged violator; or

(b) Initiate an adjudicatory proceeding to determine whether there has been a violation.

(6) Any person who knowingly files with the commission a false complaint of misconduct on the part of any legislator or other person shall be guilty of a Class A misdemeanor.

SECTION 40. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky Rules of Civil Procedure and the Kentucky Rules of Evidence shall apply to all commission adjudicatory hearings. All testimony in a commission adjudicatory proceeding shall be under oath. All parties shall have the right to call and examine witnesses, to introduce exhibits, to cross-examine witnesses, to submit evidence, and to be represented by counsel and any other due process rights, privileges, and responsibilities of a witness appearing before the courts of the Commonwealth of Kentucky. Before testifying, all witnesses shall be given a copy of the regulations governing commission proceedings. All witnesses shall be entitled to be represented by counsel.

(2) Any person whose name is mentioned during adjudicatory proceedings of the commission and who may be adversely affected thereby may appear personally before the commission on the person's own behalf, with or without attorney, to give a statement in opposition to such adverse mention or file a written statement of that opposition for incorporation into the record of proceeding.

(3) All adjudicatory proceedings of the commission carried out pursuant to the provisions of this section shall be public, unless the members vote to go into executive session in accordance with KRS 61.810.

(4) Within thirty (30) days after the end of an adjudicatory proceeding pursuant to the provisions of this section, the commission shall meet in executive session for the purpose of reviewing the evidence before it. Within thirty (30) days after completion of deliberations, the commission shall publish a written report of its findings and conclusions.

(5) The commission, upon a finding pursuant to an adjudicatory proceeding that there has been clear and convincing proof of a violation of this code, may:

(a) Issue an order requiring the violator to cease and desist the violation;

(b) Issue an order requiring the violator to file any report, statement, or other information as required by this code;

(c) In writing, publicly reprimand the violator for potential violations of the law and provide a copy of the reprimand to the presiding officer of the house in which the alleged violator serves;

(d) In writing, recommend to the house in which the violator serves that the violator be sanctioned as recommended by the commission, which may include a recommendation for censure or expulsion;

(e) Issue an order requiring the violator to pay a civil penalty of not more than two thousand dollars ($2,000); or

(f) Revoke the registration of any legislative agent or employer for a period not to exceed five (5) years.

(6) The commission may refer to the Attorney General, county attorney, or Commonwealth's attorney of the appropriate jurisdiction, for prosecution evidence of criminal violations of this code. The Attorney General shall have responsibility for all prosecutions under the law and may request from the commission all evidence collected in its investigation.

(7) Findings of fact or final determinations by the commission that a violation of this code has been committed, or any testimony related to the commission's findings of fact or final determinations, shall not be admissible in criminal proceedings in the courts of the Commonwealth of Kentucky. Evidence collected by the commission may be used in a criminal proceeding if otherwise relevant.

(8) Any person found by the commission to have committed a violation of this code may appeal the action to the Franklin Circuit Court. The appeal shall be initiated within thirty (30) days after the date of the final action of the commission by filing a petition with the court against the commission. The commission shall transmit to the clerk of the court all evidence considered by the commission at the public hearing. The court shall hear the appeal upon the record as certified by the commission.

SECTION 41. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall have jurisdiction over the administration of this code and enforcement of the civil penalties prescribed by this code.

(2) The commission may receive and initiate complaints; initiate investigations on its own motion; and conduct investigations, inquiries, and hearings concerning any matter covered by this code.

(3) The commission may administer oaths; issue subpoenas; compel the attendance of witnesses and the production of papers, books, accounts, documents, and testimony; and have the deposition of witnesses taken in the manner prescribed by the Kentucky Rules of Civil Procedure for taking depositions in civil actions. If a person disobeys or refuses to comply with a subpoena, or if a witness refuses to testify to a matter regarding which he may be lawfully interrogated, the Franklin Circuit Court may, on application of the commission, compel the obedience by proceedings for contempt as in the case of disobedience of a subpoena issued from the Circuit Court or a refusal to testify in Circuit Court. Each witness subpoenaed under this section shall receive for his attendance the fees and mileage provided for witnesses in Circuit Court, which shall be audited and paid upon the presentation of proper vouchers sworn to by the witness.

(4) The commission may render advisory opinions in accordance with Section 42 of this Act.

(5) The commission shall promulgate administrative regulations in accordance with KRS Chapter 13A to implement this code.

(6) The commission shall prescribe and provide forms for reports, statements, notices, and other documents required by this code.

(7) The commission shall determine whether the required statements and reports have been filed and, if filed, whether they conform with the requirements of this code. The commission shall promptly give notice to the filer to correct or explain any omission or deficiency.

(8) Unless otherwise provided in this code, the commission shall make each report and statement filed under this code available for public inspection and copying during regular office hours at the expense of any person requesting copies of them and at a charge not to exceed actual cost, not including the cost of staff required.

(9) The commission may preapprove leases or contracts pursuant to Section 9 of this Act.

(10) The commission shall compile and maintain a current index organized alphabetically by name of legislative agent and name of employer of all reports and statements filed with the commission in order to facilitate public access to the reports and statements.

(11) The commission shall preserve all filed statements and reports for at least two (2) years from the date of receipt.

(12) The commission shall provide to the Legislative Research Commission and each member of the General Assembly a list of every legislative agent and employer registered with the commission, including the name of each entity he represents and the date of his registration. The list shall be furnished on or before the tenth day of every month. Changes in the lists shall be furnished on Friday of each week that the General Assembly is convened in regular or extraordinary session.

(13) Upon the sine die adjournment of a regular session of the General Assembly, the commission shall provide to the Registry of Election Finance a list of each person who was registered as a legislative agent or employer at any point during the period in which the General Assembly was convened in regular session. Upon the convening, and within fifteen (15) days after the sine die adjournment of, any extraordinary session, the commission shall provide to the Registry of Election Finance a list of each person who was registered as a legislative agent or employer at any point during that period.

(14) In order to carry out the provisions of this code, the commission may contract with any public or private agency or educational institution or any individual for research studies, the gathering of information,

the printing and publication of its reports, consulting, or for any other purpose necessary to discharge the duties of the commission.

(15) The commission may conduct research concerning governmental ethics and implement any public educational programs it considers necessary to give effect to this code.

(16) No later than December 1 of each year, the commission shall report to the Legislative Research Commission on the commission's activities in the preceding fiscal year. The report shall include, but not be limited to, a summary of commission determinations and advisory opinions. The report may contain recommendations on matters within the commission's jurisdiction.

(17) No later than July 1 of each odd-numbered year, beginning July 1, 1995, the commission shall submit a report to the Legislative Research Commission which shall contain recommendations for any statutory revisions it deems necessary.

(18) All funds received by the commission from any source shall be placed in a trust and agency account for use by the commission in the administration and enforcement of the provisions of this code. Funds in the trust and agency account shall not lapse.

SECTION 42. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The commission may render advisory opinions concerning matters under its jurisdiction, based upon real or hypothetical circumstances, when requested by:

(a) Any person covered by this code;

(b) Any person who is personally and directly involved in the matter; or

(c) The commission upon its own initiative.

(2) An advisory opinion shall be requested in writing and shall state relevant facts and ask specific questions. The request for the advisory opinion shall remain confidential unless confidentiality is waived, in writing, by the requestor.

(3) The commission shall promulgate administrative regulations to establish criteria under which it may issue confidential advisory opinions. All other advisory opinions shall be published except that before an advisory opinion is made public, it shall be modified so that the identity of any person associated with the opinion shall not be revealed.

(4) The confidentiality of an advisory opinion may be waived either:

(a) In writing by the person who requested the opinion; or

(b) By majority vote of the members of the commission, if a person makes or purports to make public the substance or any portion of an advisory opinion requested by or on behalf of the person. The commission may vote to make public the advisory opinion request and related materials.

(5) (a) A written advisory opinion issued by the commission shall be binding on the commission in any subsequent proceeding concerning the facts and circumstances of the particular case if no intervening facts or circumstances arise which would change the opinion of the commission if they had existed at the time the opinion was rendered. However, if any fact determined by the commission to be material was omitted or misstated in the request for an opinion, the commission shall not be bound by the opinion.

(b) A written advisory opinion shall be admissible in the defense of any criminal prosecution or civil proceeding for violations of this code for actions taken in reliance on that opinion.

SECTION 43. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) The chair and the vice chair of the commission shall be elected by a majority vote of the members of the commission. The chair and the vice chair shall serve terms of one (1) year and may be reelected. The chair shall preside at meetings of the commission. The vice chair shall preside in the absence or disability of the chair.

(2) The commission shall meet within ninety (90) days of the effective date of this Act. The time and place of the meeting shall be determined by the chair. Thereafter, the commission shall meet at such times

deemed necessary at the call of the chair or a majority of its members. A quorum shall consist of five (5) or more members. An affirmative vote of five (5) or more members shall be necessary for commission action.

(3) A member of the commission shall receive one hundred dollars ($100) per day for attending meetings and shall be reimbursed for actual and necessary expenses incurred in the performance of his official duties as a member of the commission.

SECTION 44. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

(1) A legislator or former legislator convicted of a felony relating to his duties as a legislator, in any state or federal court of competent jurisdiction, shall forfeit rights and benefits earned after the effective date of this section under the state administered retirement plan to which contributions have been made as a result of his service in the General Assembly, except for the return of his accumulated contributions and interest credited on those contributions.

(2) The payment of retirement benefits ordered forfeited shall be stayed pending any appeal of the conviction. If the conviction is reversed on final judgment, no retirement benefits shall be forfeited.

EXECUTIVE AGENCY LOBBYING

SECTION 45. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

As used in Sections 45 to 54 of this Act:

(1) "Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another;

(2) (a) "Expenditure" means any of the following that is made to, or for the benefit of an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or a member of the staff of any of the officials listed in this paragraph:

1. A payment, distribution, loan, advance, deposit, reimbursement, or gift of money, real estate, or anything of value, including, but not limited to, food and beverages, entertainment, lodging, transportation, or honoraria;

2. A contract, promise, or agreement to make an expenditure; or

3. The purchase, sale, or gift of services or any other thing of value.

(b) "Expenditure" does not include a contribution, gift, or grant to a foundation or other charitable organization that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. "Expenditure" does not include the purchase, sale, or gift of services or any other thing of value that is available to the general public on the same terms as it is available to the persons listed in this subsection;

(3) "Employer" means any person who engages an executive agency lobbyist;

(4) "Engage" means to make any arrangement, and "engagement" means arrangement, whereby an individual is employed or retained for compensation to act for or on behalf of an employer to influence executive agency decisions or to conduct any executive agency lobbying activity;

(5) (a) "Financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, or the ownership, or part ownership in common of any real or personal property or any commercial or business enterprise of whatever form or nature between the following:

1. An executive agency lobbyist, his employer, or a member of the immediate family of the executive agency lobbyist or his employer; and

2. Any elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of the officials listed in this subparagraph.

(b) "Financial transaction" does not include any transaction or activity described in paragraph (a) of this subsection if it is available to the general public on the same terms;

(6) "Executive agency" means the office of an elected executive official, a cabinet listed in KRS 12.250, or any other state agency, department, board, or commission controlled or directed by an elected executive official or otherwise subject to his authority. "Executive agency" does not include any court or the General Assembly;

(7) "Executive agency decision" means a decision of an executive agency regarding the expenditure of funds of the state or of an executive agency with respect to the award of a contract, grant, lease, or other financial arrangement under which those funds are distributed or allocated;

(8) (a) "Executive agency lobbyist" means any person engaged to influence executive agency decisions or to conduct executive agency lobbying activity as one of his main purposes on a regular and substantial basis.

(b) "Executive agency lobbyist" does not include an elected or appointed officer or employee of a federal or state agency, state college, state university, or political subdivision who attempts to influence or affect executive agency decisions in his fiduciary capacity as a representative of his agency, college, university, or political subdivision;

(9) (a) "Executive agency lobbying activity" means contacts made to promote, oppose, or otherwise influence the outcome of an executive agency decision by direct communication with an elected executive official, the secretary of any cabinet listed in KRS 12.250, any executive agency official, or a member of the staff of any one of the officials listed in this paragraph.

(b) "Executive agency lobbying activity" does not include any of the following:

1. The action of any person having a direct interest in executive agency decisions, if the person acting under Section 1 of the Kentucky Constitution, assembles together with other persons for their common good, petitions any person listed in paragraph (a) of this subsection for the redress of grievances or other proper purposes;

2. Contacts made for the sole purpose of gathering information contained in a public record; or

3. Appearances before public meetings of executive agencies;

(10) "Executive agency official" means an officer or employee of an executive agency whose principal duties are to formulate policy or to participate directly or indirectly in the preparation, review, or award of contracts, grants, leases, or other financial arrangements with an executive agency;

(11) "Aggrieved party" means a party entitled to resort to a remedy;

(12) "Elected executive official" means the Governor, Lieutenant Governor, Secretary of State, Auditor of Public Accounts, State Treasurer, Attorney General, Commissioner of Agriculture, and Railroad Commissioners;

(13) "Person" means an individual, proprietorship, firm, partnership, joint venture, joint stock company, syndicate, business, trust, estate, company, corporation, association, club, committee, organization, or group of persons acting in concert; and

(14) "Staff" means any employee of the office of the Governor, or a cabinet listed in KRS 12.250, whose official duties are to formulate policy and who exercises administrative or supervisory authority, or who authorizes the expenditure of state funds.

SECTION 46. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) An executive agency lobbyist or employer shall not knowingly fail to register as required under Section 47 of this Act;

(2) An executive agency lobbyist or employer shall not knowingly fail to keep a receipt or maintain a record that Section 48 of this Act requires the person to keep or maintain.

(3) An executive agency lobbyist or employer shall not knowingly fail to file a statement that Section 48 or 49 of this Act requires the person to file.

SECTION 47. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Each executive agency lobbyist and employer shall file with the commission within ten (10) days following the engagement of an executive agency lobbyist, an initial registration statement showing all of the following:

(a) The name, business address, and occupation of the executive agency lobbyist;

(b) The name and business address of the employer or of the real party in interest on whose behalf the executive agency lobbyist is acting, if it is different from the employer. However, if a trade association or other charitable or fraternal organization that is exempt from federal income taxation under Section 501(c) of the Internal Revenue Code is the employer, the statement need not list the names and addresses of every member of the association or organization, so long as the association or organization itself is listed;

(c) A brief description of the executive agency decision to which the engagement relates;

(d) The name of the executive agency or agencies to which the engagement relates; and

(e) Certification by the employer and executive agency lobbyist that the information contained in the registration statement is complete and accurate.

(2) In addition to the initial registration statement required by subsection (1) of this section, each executive agency lobbyist and employer shall file with the commission, not later than the last day of January, May, and September of each year, an updated registration statement that confirms the continuing existence of each engagement described in an initial registration statement and that lists the specific executive agency decisions the lobbyist sought to influence under the engagement during the period covered by the updated statement, and with it any statement of expenditures required to be filed by Section 48 of this Act and any details of financial transaction required to be filed by Section 49 of this Act.

(3) If an executive agency lobbyist is engaged by more than one employer, the lobbyist shall file a separate initial and updated registration statement for each engagement. If an employer engages more than one executive agency lobbyist, the employer shall file only one updated registration statement under subsection (2) of this section, which shall contain the information required by subsection (2) of this section regarding all executive agency lobbyists engaged by the employer.

(4) (a) A change in any information required by subsection (1)(a), (b), (c), (d), or (2) of this section shall be reflected in the next updated registration statement filed under subsection (2) of this section.

(b) Within thirty (30) days following the termination of an engagement, the executive agency lobbyist who was employed under the engagement shall file written notice of the termination with the commission.

(5) No registration fee shall be charged for filing a registration statement.

(6) Upon registration pursuant to this section, an executive agency lobbyist shall be issued a card by the commission showing the lobbyist is registered. The registration card shall be valid from the date of its issuance through the thirty-first day of January of the year following the year in which the initial registration was filed.

(7) The commission shall review each registration statement filed with the commission under this section to determine if the statement contains all of the required information. If the commission determines the registration statement does not contain all of the required information or that an executive agency lobbyist or employer has failed to file a registration statement, the commission shall send written notification of the deficiency by certified mail to the person who filed the registration statement or to the person who failed to file the registration statement regarding the failure. Any person so notified by the commission shall, not later than fifteen (15) days after receiving the notice, file a registration statement or an amended registration statement that includes all of the required information. If any person who receives a notice under this subsection fails to file a registration statement or an amended registration statement within the fifteen (15) day period, the commission may initiate an investigation of the person's failure to file. If the commission initiates an investigation pursuant to this section, the commission shall also notify each elected executive official and the secretary of each cabinet listed in KRS 12.250 of the pending investigation.

(8) On or before the fifteenth day of March of each year, the commission shall, in the manner and form the commission determines, publish a report containing statistical information on the registration statements filed under this section during the preceding year.

(9) If an employer who engages an executive agency lobbyist is the recipient of a contract, grant, lease, or other financial arrangement pursuant to which funds of the state or of an executive agency are

distributed or allocated, the executive agency or any aggrieved party may consider the failure of the employer or the executive agency lobbyist to comply with this section as a breach of a material condition of the contract, grant, lease, or other financial arrangement.

(10) Executive agency officials may require certification from any person seeking the award of a contract, grant, lease, or financial arrangement that the person and his employer are in compliance with this section.

SECTION 48. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Each executive agency lobbyist and each employer shall file with the commission, with the updated registration statement required by subsection (2) of Section 47 of this Act, a statement of expenditures as specified in subsections (2) and (3) of this section. An executive agency lobbyist shall file a separate statement of expenditures under this section for each employer engaging him.

(2) (a) In addition to the information required by paragraph (b) of this subsection, a statement filed by an executive agency lobbyist shall show the total amount of expenditures made by the lobbyist during the reporting period covered by the statement by the executive agency lobbyist.

(b) 1. If, during a calendar year, the employer or any executive agency lobbyist he engaged made expenditures to, or on behalf of a particular elected executive official, the secretary of a cabinet listed in KRS 12.250, a particular executive agency official, or a particular member of the staff of any of those officials, the employer or executive agency lobbyist also shall state the name of the official or employee on whose behalf the expenditures were made, the total amount of the expenditures made, a brief description of the expenditures made, and the approximate date the expenditures were made.

2. Expenditures shall be reported on the expenditure statement for the reporting period that includes the date on which the expenditure was made.

(3) (a) In addition to the information required by subsection (2)(b) of this section, a statement filed by an employer shall show the total amount of expenditures made by the employer during the period covered by the statement. As used in this subsection, "expenditures" does not include the expenses of maintaining office facilities or support services for executive agency lobbyists.

(b) An employer shall not be required to show any expenditure on a statement filed under this subsection if the expenditure is reported on a statement filed under subsection (2)(a) or (b) of this section by an executive agency lobbyist engaged by the employer.

(4) Any statement required to be filed under this section shall be filed at the times specified in Section 47 of this Act. Each statement shall cover expenditures made during the four (4) calendar month period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(5) If it is impractical or impossible for an executive agency lobbyist or employer to determine exact dollar amounts or values of expenditures, reporting of good faith estimates, based on reasonable accounting procedures, constitutes compliance with this section.

(6) Executive agency lobbyists and employers shall retain receipts or maintain records for all expenditures that are required to be reported pursuant to this section. These receipts or records shall be maintained for a period ending on the thirty-first day of December of the second calendar year after the year in which the expenditure was made.

(7) At least ten (10) days before the date on which the statement is filed, each employer or executive agency lobbyist who is required to file an expenditure statement under subsection (2)(b) of this section shall deliver a copy of the statement, or the portion showing the expenditure, to the official or employee who is listed in the statement as having received the expenditure or on whose behalf it was made.

SECTION 49. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Any executive agency lobbyist who has had any financial transaction with, or for the benefit of, an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of those officials shall describe the details of the transaction, including the name of the official or employee, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the updated registration statement required by subsection (2) of Section 47 of this Act. Each statement shall describe each financial transaction that occurred during the four calendar month period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(2) Except as provided in subsection (4) of this section, any employer who has had any financial transaction with or for the benefit of an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of those officials shall describe the details of the transaction, including the name of the official or employee, the purpose and nature of the transaction, and the date it was made or entered into, in a statement filed with the commission with the updated registration statement required by subsection (2) of Section 47 of this Act. The statement shall be filed at the times specified in Section 47 of this Act. Each statement shall describe each financial transaction that occurred during the four (4) calendar month period that ended on the last day of the month immediately preceding the month in which the statement is required to be filed.

(3) At least ten (10) days before the date on which the statement is filed, each employer or executive agency lobbyist who is required to file a statement describing a financial transaction under this section shall deliver a copy of the statement to the official or employee with whom or for whose benefit the transaction was made.

(4) An employer shall not be required to file any statement under this section or to deliver a copy of the statement to an official or employee with whom or for whose benefit the transaction was made if the financial transaction to which the statement pertains is reported by an executive agency lobbyist engaged by the employer.

SECTION 50. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) If a dispute arises between an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of those officials and an employer or executive agency lobbyist with respect to an expenditure or financial transaction alleged in a statement to be filed under Section 48 or 49 of this Act, the official or employee, employer, or executive agency lobbyist may file a complaint with the commission. The commission shall investigate the complaint.

(2) The complaint shall be filed at least three (3) days prior to the time the statement is required to be filed with the commission. The time for filing a disputed expenditure or financial transaction in any statement of expenditures or the details of a financial transaction shall be extended pending the final decision of the commission. This extension does not extend the time for filing the nondisputed portions of either type of statement. The commission shall notify the parties of its final decision by certified mail. If the commission decides the disputed expenditure or financial transaction should be reported, the employer or executive agency lobbyist shall include the matter in an amended statement and file the amended statement not later than ten (10) days after receiving notice of the decision of the commission by certified mail.

(3) An employer or executive agency lobbyist who file a false statement of expenditures or details of a financial transaction is liable in a civil action to any official or employee who sustains damage as a result of the filing or publication of the statement.

SECTION 51. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Sections 47 and 48 of this Act do not apply to efforts to influence executive agency decisions or conduct executive agency lobbying activity by any of the following:

(a) Appearances at public hearings of the committees or interim committees of the General Assembly, at court proceedings, at rule-making or adjudication proceedings, or at other public meetings;

(b) News, editorial, and advertising statements published in newspapers, journals, or magazines, or broadcast over radio or television;

(c) The gathering and furnishing of information and news by bona fide reporters, correspondents, or news bureaus to news media described in subsection (1)(b) of this section; or

(d) Publications primarily designed for and distributed to members of associations or charitable or fraternal nonprofit corporations.

(2) Nothing in Sections 45 to 54 of this Act requires the reporting of, or prohibits an elected executive official from soliciting or accepting, a contribution from or an expenditure by any person if the contribution or expenditure is reported in accordance with KRS Chapter 121 or 121A.

SECTION 52. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in subsection (2) of this section, no person shall engage any persons to influence executive agency decisions or conduct executive agency lobbying activity for compensation that is contingent in any way on the outcome of an executive agency decision and no person shall accept any engagement to influence executive agency decisions or conduct executive agency lobbying activity for compensation that is contingent in any way on the outcome of an executive agency decision.

(2) Subsection (1) of this section does not prohibit, and shall not be construed to prohibit, any person from compensating his sales employees pursuant to an incentive compensation plan, such as commission sales, if the incentive compensation plan is the same plan used to compensate similarly situated sales employees who are not executive agency lobbyists.

SECTION 53. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

(1) The commission shall keep on file the statements required by Sections 47, 48, and 49 of this Act. These statements are public records and open to public inspection, and the commission shall computerize them so the information contained in them is readily accessible to the general public. The commission shall provide copies of the statements to the public on request and may charge a reasonable fee not to exceed the cost of copying and delivering the statement.

(2) Not later than the last day of February and October of each year, the commission shall compile from the registration statements filed with it a complete and updated list of registered executive agency lobbyists and their employers, and distribute the list to each elected executive branch official and the secretary of each cabinet listed in KRS 12.250, who shall distribute the list to the appropriate personnel under their jurisdiction. The commission shall provide copies of the list to the public upon request and may charge a reasonable fee not to exceed the cost of copying and delivering the list.

(3) The commission shall maintain a list of all executive agency lobbyists. The commission shall provide copies of the list to the public on request and may charge a reasonable fee not to exceed the cost of copying and delivering the document.

(4) The commission shall prescribe and make available an appropriate form for the filings required by Sections 47, 48, and 49 of this Act. The form shall contain the following notice in boldface type: "ANY PERSON WHO KNOWINGLY FILES A FALSE STATEMENT IS IN VIOLATION OF STATE LAW AND SUBJECT TO FINES AND OTHER PENALTIES."

(5) Any rules adopted by the commission to implement Sections 45 to 54 of this Act shall be adopted by administrative regulations promulgated in accordance with KRS Chapter 13A.

(6) The commission shall publish a handbook that explains in clear and concise language the provisions of Sections 45 to 54 of this Act and make it available free of charge to executive agency lobbyists, employers, and any other interested persons.

SECTION 54. A NEW SECTION OF KRS CHAPTER 11A IS CREATED TO READ AS FOLLOWS:

The Attorney General and any assistant or special counsel designated by him may investigate compliance with Sections 45 to 54 of this Act.

Section 55. KRS 11A.990 is amended to read as follows:

(1) Any person who violates KRS 11A.040 shall be guilty of a Class D felony. In addition:

(a) The judgment of conviction for a violation of KRS 11A.040(2) shall recite that the offender is disqualified to hold office thereafter; and

(b) Any person who violates KRS 11A.040(1) to (7) shall be judged to have forfeited any employment, or constitutional or statutory office he holds, provisions of KRS Chapter 18A to the contrary notwithstanding.

(2) Any officer and public servant required to file a statement of financial disclosure pursuant to KRS 11A.050 who does not file the statement by a date specified in that section shall have his salary withheld from the first day of noncompliance until he shall have completed the action required by law. The amount withheld shall be deducted from his overall pay and allowances and shall not be recoverable pursuant to Section 235 of the Constitution of Kentucky.

(3) Any person who maliciously files with the commission a false charge of misconduct on the part of any public servant or other person shall be fined not to exceed five thousand dollars ($5,000), or imprisoned in a county jail for a term not to exceed one (1) year, or both.

(4) Prosecution for violation of any provision of KRS 11A.040 shall not be commenced after two (2) years have elapsed from the date of the violation.

(5) Any executive lobbyist or employer who violates any provision in Section 46 shall for the first violation be guilty of ethical misconduct. For the second and each subsequent violation, he shall be guilty of a Class D felony.

(6) Any legislative agent or employer who fails to file the initial registration statement or updated registration statement required by Section 47 or 48 of this Act, or who fails to remedy a deficiency in any filing in a timely manner, may be fined by the commission an amount not to exceed one hundred dollars ($100) per day, up to a maximum total fine of one thousand dollars ($1,000).

(7) Any executive lobbyist or employer who intentionally fails to register, or who intentionally files an initial registration statement or updated registration statement required by Section 47 or 48 of this Act which he knows to contain false information or to omit required information shall be guilty of a Class D felony.

(8) An employer or executive lobbyist who files a false statement of expenditures or details of a financial transaction under Section 49 or 50 of this Act is liable in a civil action to any official or employee who sustains damage as a result of the filing or publication of the statement.

(9) Violation of Section 52 of this Act is a Class D felony.

Section 56. KRS 121.120 is amended to read as follows:

(1) The registry may:

(a) Require by special or general orders, any person to submit, under oath, any written reports and answers to questions as the registry may prescribe;

(b) Administer oaths or affirmations;

(c) Require by subpoena, signed by the chairman, the attendance and testimony of witnesses and the production of all documentary evidence, excluding individual and business income tax records, relating to the execution of its duties;

(d) In any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the registry and has the power to administer oaths and, in those instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (c);

(e) Initiate, through civil actions for injunctive, declaratory, or other appropriate relief, defend, or appeal any civil action in the name of the registry to enforce the provisions of this chapter through its legal counsel;

(f) Render advisory opinions under KRS 121.135;

(g) Promulgate administrative regulations necessary to carry out the provisions of this chapter;

(h) Conduct investigations and hearings expeditiously, to encourage voluntary compliance, and report apparent campaign finance law violations to the appropriate law enforcement authorities; and

(i) Petition any court of competent jurisdiction to issue an order requiring compliance with an order or subpoena issued by the registry. Any failure to obey the order of the court may be punished by the court as contempt.

(2) No person shall be subject to civil liability to any person other than the registry or the Commonwealth for disclosing information at the request of the registry.

(3) The registry may appoint a full-time executive director, legal counsel and an accountant for auditing purposes, all of whom shall serve at the pleasure of the registry. The registry may also appoint such other employees as are necessary to carry out the purposes of this chapter. All requests for personnel appointments shall be forwarded by the registry directly to the commissioner of the Department of Personnel and shall be subject to his review and certification only.

(4) The registry shall adopt official forms and perform other duties necessary to implement the provisions of this chapter and KRS Chapter 121A. Without limiting the generality of the foregoing, the registry shall:

(a) Develop prescribed forms for the making of the required reports;

(b) Prepare and publish a manual for all candidates, slates of candidates, and committees, describing the requirements of the law, including uniform methods of bookkeeping and reporting, requirements as to reporting dates, and the length of time that candidates, slates of candidates, and committees are required to keep any records pursuant to the provisions of this chapter and KRS Chapter 121A;

(c) Develop a filing, coding, and cross-indexing system;

(d) Make each report filed available for public inspection and copying during regular office hours at the expense of any person requesting copies of them;

(e) Preserve all reports for at least six (6) years from the date of receipt. Duly certified reports shall be admissible as evidence in any court in the Commonwealth;

(f) Prepare and make available for public inspection a summary of all reports grouped according to candidates, slates of candidates, committees, contributing organizations, and parties, containing the total receipts and expenditures, ***and the date, name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee,*** and the date, name, address, occupation and employer of each ***other*** contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and amount contributed by each contributor, listed alphabetically, shown to have contributed in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~] to candidates and [~~in excess of one hundred dollars ($100) to~~] slates of candidates;

(g) Prepare and publish an annual report with cumulative compilations named in paragraph (f) of this subsection;

(h) Distribute upon request, for a nominal fee, copies of all summaries and reports;

(i) Determine whether the required reports have been filed and if so, whether they conform with the requirements of this chapter and KRS Chapter 121A; give notice to delinquents to correct or explain defections; issue an order, if appropriate, as provided in KRS 121.140; and make public the fact that a violation has occurred and the nature thereof;

(j) Conduct random audits of receipts and expenditures of candidates running for city, county, urban-county government, charter county government, and district offices. When the registry audits the records of any selected candidate, it shall also audit the records of all other candidates running for the same office in the selected city, county, urban-county government, charter county government, or district office;

(k) Conduct audits of receipts and expenditures of all candidates or slates of candidates running for statewide office;

(l) Require that candidates and slates of candidates shall maintain their records for a period of four (4) years from the date of the regular election in their respective political races;

(m) Initiate investigations and make investigations with respect to reports upon complaint by any person and initiate proceedings on its own motion;

(n) Forward to the Attorney General any violations of this chapter and KRS Chapter 121A which may become the subject of civil or criminal prosecution; and

(o) Direct and administer the provisions of KRS Chapter 121A.

(5) All policy and enforcement decisions concerning the regulation of campaign finance shall be the ultimate responsibility of the registry. No appointed or elected state officeholder or any other person shall, directly or indirectly, attempt to secure or create privileges, exemptions, or advantages for himself or others in derogation of the public interest at large in a manner that seeks to leave any registry member or employee charged with the enforcement of the campaign finance laws no alternative but to comply with the wishes of the officeholder or person. Registry members and employees shall be free of obligation or the appearance of obligation to any interest other than the fair and efficient enforcement of the campaign finance laws and administrative regulations. It shall not be considered a violation of this subsection for an officeholder or other person to seek remedies in a court of law to any policy or enforcement decision he considers to be an abridgement of his legal rights.

Section 57. KRS 121.150 is amended to read as follows:

(1) No contribution of money or other thing of value, nor obligation therefor, shall be made or received, and no expenditure of money or other thing of value shall be made or incurred, directly or indirectly, other than an "independent expenditure," to support inauguration activities or to support or defeat a candidate, slate of candidates, constitutional amendment, or public question which will appear on the ballot in an election, except through the duly appointed campaign manager, or campaign treasurer of the candidate, slate of candidates, or registered committee. As used in this section, "independent expenditure" means one made for a communication which expressly advocates the election or defeat of a clearly identified candidate or slate of candidates, or the passage or defeat of a constitutional amendment or public question which will appear on the ballot and which is not made with any direct or indirect cooperation, consent, request, suggestion, or consultation involving a candidate, slate of candidates, campaign committee, political issues committee, or agent. Any person making an "independent expenditure," as defined in this subsection, shall report these expenditures when the expenditures exceed five hundred dollars ($500) in the aggregate in any one (1) election, on forms provided by the registry.

(2) Except as provided in KRS 121.180(10), the solicitation from and contributions by candidates, slates of candidates, campaign committees, political issues committees, permanent committees, and party executive committees to any religious, charitable, civic, eleemosynary, or other causes or organizations established primarily for the public good is expressly prohibited; except that it shall not be construed as a violation of this section for a candidate or slate of candidates to continue regular personal contributions to religious, civic, or charitable groups.

(3) No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf, shall accept any anonymous contribution in excess of fifty dollars ($50), and all anonymous contributions in excess of fifty dollars ($50) shall be returned to the donor, if the donor can be determined. If no donor is found, the contribution shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020. No candidate, slate of candidates, committee, or contributing organization, nor anyone acting on their behalf shall accept anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate in any one (1) election. Anonymous contributions in excess of one thousand dollars ($1,000) in the aggregate which are received in any one (1) election shall escheat to the state and be transferred to the election campaign fund established by KRS 121A.020.

(4) No candidate, committee, or contributing organization, nor anyone on their behalf, shall accept a cash contribution in excess of ***fifty*** [~~one hundred~~] dollars ***($50)*** [~~($100)~~].

(5) No candidate, slate of candidates, committee, contributing organization, nor anyone on their behalf, shall accept any contribution in excess of one hundred dollars ($100) from any person who shall not become eighteen (18) years of age on or before the day of the next general election.

(6) No candidate, campaign committee, political issues committee, nor anyone acting on their behalf, shall accept a contribution of more than five hundred dollars ($500) from any person, permanent committee, or contributing organization in any one (1) election; except that no candidate for school board, his campaign committee, nor anyone acting on their behalf shall accept a contribution of more than one hundred dollars ($100) from any person or more than two hundred dollars ($200) from any permanent committee or contributing organization in any one (1) election. No person, permanent committee, or contributing organization shall contribute more than five hundred dollars ($500) to any one (1) candidate, campaign committee, political issues committee, nor anyone acting on their behalf, in any one (1) election; except that no person shall contribute more than one hundred dollars ($100) and no permanent committee or contributing organization shall contribute more than two hundred dollars ($200) to any one (1) school board candidate, his campaign committee, nor anyone acting on their behalf, in any one (1) election. Limits on contributions for slates of candidates for Governor and Lieutenant Governor which may be made or received in any one (1) election shall be governed by the provisions of KRS 121A.050.

(7) [~~Except for permanent committees organized as of January 1, 1988,~~] Permanent committees or contributing organizations affiliated by bylaw structure or by registration, as determined by the Registry of Election Finance, shall be considered as one (1) committee for purposes of applying the contribution limits of subsection (6) of this section.

(8) No permanent committee shall contribute funds to another permanent committee for the purpose of circumventing contribution limits of subsection (6) of this section.

(9) No person shall contribute funds to a permanent committee, political issues committee, or contributing organization for the purpose of circumventing the contribution limits of subsection (6) of this section.

(10) No person shall contribute more than ***one thousand five hundred*** [~~four thousand~~] dollars ***($1,500)*** [~~($4,000)~~] to all permanent committees and contributing organizations in any one (1) year.

(11) No person shall contribute more than two thousand five hundred dollars ($2,500) to the state executive committee of a political party and its subdivisions and affiliates in any one (1) year. Contributions a person makes to a political party in excess of one thousand dollars ($1,000) in any one (1) year shall be deposited in a separate account which the state executive committee maintains for the exclusive purpose of paying administrative costs incurred by the political party.

(12) No person shall make a payment, distribution, loan, advance, deposit, or gift of money to another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf. No candidate, committee, contributing organization, nor anyone on their behalf shall accept a contribution made by one (1) person who has received a payment, distribution, loan, advance, deposit or gift of money from another person to contribute to a candidate, committee, contributing organization, or anyone on their behalf.

(13) No candidates running as a slate for the offices of Governor and Lieutenant Governor shall make combined total personal loans to their committee in excess of fifty thousand dollars ($50,000) in any one (1) election. No candidate for any other statewide elected state office shall lend to his committee any amount in excess of twenty-five thousand dollars ($25,000) in any one (1) election. In campaigning for all other offices, no candidate shall lend to his committee more than ten thousand dollars ($10,000) in any one (1) election.

(14) No candidate or slate of candidates for nomination to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for primary election expenses after the date of the primary. No person other than the candidate or slate of candidates shall contribute for primary election expenses after the date of the primary.

(15) No slate of candidates for nomination for election to the offices of Governor and Lieutenant Governor, nor its campaign committees, nor anyone on their behalf, shall solicit or accept contributions for runoff primary election expenses after the date of the runoff primary. No person other than the slated candidates shall contribute for runoff primary election expenses after the date of the runoff primary.

(16) No candidate or slate of candidates for any state, county, city, or district office at a regular election, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for regular election expenses after the date of the regular election. No person other than the candidate or slate of candidates shall contribute for regular election expenses after the date of the regular election.

(17) No candidate or slate of candidates for nomination or election to any state, county, city, or district office, nor their campaign committees, nor anyone on their behalf, shall solicit or accept contributions for special election expenses after the date of the special election. No person other than the candidate or slate of candidates shall contribute for special election expenses after the date of the special election.

(18) Nothing in subsections (14) to (17) of this section shall be deemed to prohibit a slate of candidates from receiving transfers from the election campaign fund established by KRS 121A.020 for which it is eligible for matches of qualifying contributions received prior to the date of the election but for which no transfer from the fund had been made prior to the date of the election.

(19) The provisions of subsections (14) and (16) of this section shall apply only to those candidates in a primary or regular election which shall be conducted subsequent to January 1, 1989. The provisions of subsections (15) and (17) of this section shall apply only to those candidates or slates of candidates in a runoff primary or special election which shall be conducted subsequent to January 1, 1993.

(20) No slate of candidates for Governor and Lieutenant Governor or their immediate families shall loan any money, service, or other thing of value to their campaign, and all moneys, services, or other things of value which are loaned shall be deemed a contribution, which may not be recovered by the slate of candidates, except to the extent of a combined total of fifty thousand dollars ($50,000).

(21) No candidate, slate of candidates, committee, except a political issues committee, or contributing organization, nor anyone on their behalf, shall knowingly accept a contribution from a corporation, directly or indirectly.

(22) Nothing in this section shall be construed to restrict the ability of a corporation to administer its permanent committee insofar as its actions can be deemed not to influence an election as prohibited by KRS 121.025.

(23) In addition to the prohibitions set forth in this section, no slate of candidates shall accept any contribution during the thirty (30) days immediately preceding a primary or regular election except as provided in KRS 121A.030(5).

(24) No candidate, slate of candidates, or committee, nor anyone on their behalf, shall solicit a contribution of money or services from a state employee, whether or not the employee is covered by the classified service provisions of KRS Chapter 18A. However, it shall not be a violation of this subsection for a state employee to receive a solicitation directed to him as a registered voter in an identified precinct as part of an overall plan to contact voters not identified as state employees.

(25) A candidate for elective public office, except slates of candidates for Governor and Lieutenant Governor, shall not accept contributions from permanent committees which, in the aggregate, exceed thirty-five percent (35%) of the total contributions accepted by the candidate in any one (1) election cycle or five thousand dollars ($5,000) in any one (1) election cycle, whichever is the greater amount. For the purposes of this subsection, "election cycle" means the period between regular elections for the office a candidate seeks. The percentage of the total contributions or dollar amounts of contributions accepted by a candidate in an election cycle that is accepted from permanent committees shall be calculated as of the regular election day that ends the election cycle. Funds in a candidate's campaign account which are carried forward from one (1) election cycle to another shall not be considered in calculating the acceptable percentage or dollar amount of contributions which may be accepted from permanent committees for the election cycle for which the funds are carried forward. A candidate may, without penalty, contribute funds to his campaign account not later than twenty (20) days following the election cycle so as not to exceed the permitted percentage or dollar amount of contributions which may be accepted from permanent committees or the candidate may, not later than twenty (20) days after the end of the election cycle, refund any excess permanent committee contributions on a pro rata basis to the permanent committees whose contributions are accepted after the aggregate limit has been reached.

Section 58. KRS 121.160 is amended to read as follows:

(1) Each candidate or slate of candidates shall designate a campaign treasurer to act as their agent at the time and at the office with which they file as a candidate or slate of candidates on a duplicate form prescribed and furnished by the registry and until this requirement is met the candidate or slate of candidates shall be listed as their own treasurer and accountable as such. The candidate or slate of candidates may appoint themselves or any registered voter in Kentucky as his campaign treasurer. The office with which the candidate or slate of candidates is required to file shall immediately forward to the registry the duplicate copy of the completed form designating the candidate's or slate's campaign treasurer and shall attach the original to the candidate's or slate's filing papers. The office with which the candidate or slate of candidates files shall promptly notify the registry when a candidate withdraws.

(2) The duties of a campaign treasurer shall be to:

(a) Designate a depository bank for all campaign funds and deposit all contributions in that depository;

(b) Keep detailed and exact accounts of contributions in general and ***by name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** by name, address, age if under legal voting age, the employer of each ***other*** contributor and the spouse of the contributor, or if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation where the contribution exceeds ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~]; the occupation listed for the contributor shall be specific. A general classification, such as "businessman", shall be insufficient;

(c) Make or authorize all expenditures on behalf of a candidate or slate of candidates. Any expenditure in excess of twenty-five dollars ($25) shall be by check and the treasurer's records shall disclose the name, address, and occupation of every person or firm to whom made, and shall list the date and amount of the expenditure and the treasurer shall keep a receipted bill for each;

(d) Maintain all receipted bills and accounts required by this section for a period of six (6) years from the date he files his last report under KRS 121.180(3)(a); and

(e) Make no payment to any person not directly providing goods or services with the intent to conceal payment to another.

(3) A candidate or slate of candidates may remove a campaign treasurer at any time.

(4) In case of the death, resignation, or removal of a campaign treasurer, the candidate or slate of candidates shall within three (3) days after receiving notice thereof by certified mail, return receipt requested, appoint a successor and shall file his name and address with the registry. The candidate, or slate shall be accountable as their own campaign treasurer if they fail to meet this filing requirement.

(5) A person may serve as campaign treasurer for more than one (1) candidate or slate of candidates, but all reports shall be made separately for each individual candidate or slate.

(6) The candidate or slate of candidates may pay a campaign treasurer a salary for his services which shall be considered a campaign expense and shall comply with the reporting provisions of KRS 121.180 and administrative regulations promulgated by the registry.

Section 59. KRS 121.170 is amended to read as follows:

(1) Any committee organized under any provisions of this chapter shall register with the registry, by filing official notice of intention at the time of organization, giving names, addresses, and positions of the officers of the organization and designating the candidate or candidates, slate of candidates, or question it is organized to support or oppose on forms prescribed by the registry. The name of the committee shall reasonably identify to the public the sponsorship and purpose of the committee. The forms filed with the registry shall require the registrant to clearly identify the specific purpose, sponsorship, and source from which the committee originates; and the registry shall refuse to allow filing by any committee until this requirement has been satisfied.

(2) Any person who acts as a fundraiser by directly soliciting contributions for an election campaign of a candidate or slate of candidates for elected office shall register with the registry when he raises in excess of three thousand dollars ($3,000) in any one (1) election for the campaign committee by filing official notice giving his name, address, occupation, employer or, if he is self-employed, the name under which he is doing business, and all candidates or slates of candidates for whom he is soliciting on forms prescribed by the registry. A registered fundraiser shall comply with the campaign finance reporting requirements of KRS 121.180(3), (4), and (5) and KRS 121A.010(5).

(3) All provisions of KRS 121.160 and 121A.070 governing the duties and responsibilities of a candidate, slate of candidates, or campaign treasurer shall apply to a registered committee, except a federally registered out-of-state permanent committee, and a person acting as a campaign fundraiser.

(4) The chairman of a committee and the campaign treasurer shall be separate persons.

(5) A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry at the time it files its registration papers. A permanent committee shall pay an administrative fee of two hundred dollars ($200) to the registry no later than the last day of the first calendar quarter following the year in which it registers with the registry and each succeeding year thereafter until the permanent committee terminates. The amount of administrative fees received by the registry from permanent committees shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.

(6) Any federally registered out-of-state permanent committee that contributes to a Kentucky candidate shall:

(a) File with the registry a copy of its federal registration (Federal Election Commission Form 1 - Committee Registration Form);

(b) File with the registry a copy of the Federal Election Commission finance report when a contribution is made to a Kentucky candidate; and

(c) Contribute not more than the maximum amount permitted for a permanent committee to make under Kentucky law to any candidate for any office in this Commonwealth.

(7) Notwithstanding any provision of law to the contrary, a contribution made by a federally registered permanent committee to any candidate for any office in this Commonwealth that complies with the provisions of 2 U.S.C. Sec. 441b, 11 C.F.R. Sec. 104.10, 11 C.F.R. Sec. 106.6, and 11 C.F.R. Sec. 114.1-114.12 regarding limitations on contributions by corporations shall be deemed to comply with the campaign finance laws of this Commonwealth prohibiting corporate contributions to candidates.

(8) The organization, formation, or registration of a permanent committee by any member of the General Assembly shall be prohibited.

Section 60. KRS 121.180 is amended to read as follows:

(1) (a) Any candidate, slate of candidates, or campaign treasurer, or political issues committee shall be exempt from filing any pre-election finance reports required by subsection (3) of this section or KRS 121A.020(5), whichever is applicable, if the candidate, slate of candidates, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that contributions will not be accepted or expended in excess of three thousand dollars ($3,000) in any one (1) election to further the candidacy or to support or oppose a constitutional amendment or public question which will appear on the ballot. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(b) Any candidate, slate of candidates, campaign treasurer, or political issues committee shall be exempt from filing any campaign finance reports required by ***subsections*** [~~subsection~~] (3) ***and (4)*** of this section or KRS 121A.020(5), whichever is applicable, if the candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer files a form prescribed and furnished by the registry stating that currently no contributions have been received and that contributions will not be accepted or expended in excess of two hundred fifty dollars ($250) in any one (1) election. A separate form shall be required for each primary, runoff primary, regular, or special election in which the candidate or slate of candidates participates or in which the public question appears on the ballot. The form shall be filed with the same office with which a candidate or slate of candidates files nomination papers or, in the case of a political issues committee, with the registry.

(c) For a primary election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than the deadline for filing nomination papers and shall be bound by its terms unless it is rescinded in writing not later than fifteen (15) days after the filing deadline. For a runoff primary election, a slate of candidates shall file its request for exemption not later than five (5) days after the date of the preceding primary election and it shall be bound by its terms unless it rescinds it in writing not later than ten (10) days after the date of the preceding primary election. For a regular election, a candidate, slate of candidates, campaign treasurer, or political issues committee chairman or treasurer shall file a request for exemption not later than ten (10) days after the date of the preceding primary election, or runoff primary, if one is held, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date of the primary election, or runoff primary, if one is held. For a special election, a candidate, slate of candidates, or campaign treasurer shall file a request for exemption not later than ten (10) days after being nominated for a special election, and shall be bound by its terms unless it is rescinded in writing not later than twenty-five (25) days after the date on which the nomination for a special election is made.

(d) Any candidate, slate of candidates, campaign treasurer, or political issues committee that is exempt from filing campaign finance reports pursuant to paragraph (a) or (b) of this subsection that accepts contributions or expends, or whose campaign treasurer accepts contributions or expends, in excess of the applicable limit in any one (1) election without rescinding the request for exemption in a timely manner shall comply with all applicable reporting requirements and, in addition to other penalties prescribed by law, in the case of a candidate or slate of candidates, upon a final determination that a violation occurred, be ineligible as a candidate or slate of candidates for the office sought, the nomination or election shall be void, and a vacancy shall be declared.

(2) State and county executive committees shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source since the date of the last report, including ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name and address of each ***other*** contributor, and the age if less than the legal voting age, the employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~], the amount contributed by each and the date of the contribution, whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name and address of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. This report shall be made to the registry within thirty (30) days after the primary, runoff primary if slates of candidates of that party participate, and regular elections. If an individual gives a reportable contribution to a state or county executive committee with the intention that the contribution or a portion of the contribution go to a candidate or slate of candidates, the name of the contributor and the sum shall be indicated on the committee report.

The receipts and expenditures of funds remitted to each political party under KRS 141.071 to 141.073 shall be separately accounted for and reported to the registry in the manner required by KRS 121.230. The separate report may be made a separate section within the report required, by this subsection, to be submitted within thirty (30) days after each regular election.

(3) Except for candidates or slates of candidates, campaign treasurers, or political issues committees exempted from reporting requirements pursuant to subsection (1) of this section, each campaign treasurer of a candidate, slate of candidates, campaign committee, or political issues committee who accepts contributions or expends, expects to accept contributions or expend, or contracts to expend more than three thousand dollars ($3,000) in any one (1) election, and each fundraiser who secures contributions in excess of three thousand dollars ($3,000) in any one (1) election, shall make a full report, upon a prescribed form, to the registry, of all money, loans, or other things of value, received from any source, since the date of the last report, including ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name and address of each ***other*** contributor, and the age if less than the legal voting age, the employer of each ***other*** contributor and the spouse of the contributor or, if the contributor or spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~], to a candidate***, slate of candidates,*** or political issues committee [~~or in excess of one hundred dollars ($100) to a slate of candidates~~] the amount contributed by each and the date of the contribution, whether the contribution was in cash, and a complete statement of all expenditures authorized, incurred, or made. The total amount of cash contributions received during the reporting period shall be listed as a separate item. The complete statement of expenditures shall include the name, address, and occupation of each person to whom an expenditure is made in excess of twenty-five dollars ($25), and the amount, date, and purpose of each expenditure. Reports of all candidates, campaign committees, political issues committees, and registered fundraisers shall be made as follows:

(a) Candidates as defined in KRS 121.015(8), campaign committees, political issues committees, and fundraisers which register in the year before the year an election in which the candidate or public question shall appear on the ballot, shall file financial reports with the registry at the end of the first calendar quarter after the person becomes a candidate or following registration of the committee or fundraiser, and each calendar quarter thereafter, ending with the last calendar quarter of that year. Candidates, committees, and registered fundraisers shall make all reports required by this section during the year in which the election takes place;

(b) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the thirty-second day preceding an election, including all previous contributions and expenditures;

(c) All candidates, campaign committees, political issues committees, and registered fundraisers shall make reports on the twelfth day preceding the date of the election; and

(d) All reports to the registry shall be in the hands of the registry or postmarked within five (5) days after each filing deadline.

(4) All candidates, regardless of funds received or expended, campaign committees, political issues committees, and registered fundraisers shall make post-election reports within thirty (30) days after the election.

(5) In making the preceding reports, the total gross receipts from each of the following categories shall be listed: proceeds from the sale of tickets for events such as testimonial affairs, dinners, luncheons, rallies, and similar fundraising events, mass collections made at the events, and sales of items such as campaign pins, buttons, hats, ties, literature, and similar materials. When any individual purchase or the aggregate purchases of any item enumerated above exceeds one hundred dollars ($100), the purchaser shall be identified by name, address, age, if less than the legal voting age, occupation, and employer and the employer of the spouse of the purchaser or, if the purchaser or the spouse of the purchaser is self-employed, the name under which he is doing business, and the amount purchased shall be reported to the registry. The lists shall be maintained by the campaign treasurer, political issues committee treasurer, registered fundraiser, or other sponsor for inspection by the registry for six (6) years following the date of the election.

(6) (a) Each permanent committee, inaugural committee, or contributing organization shall make a full report, upon a prescribed form, to the registry of all money, loans, or other things of value, received by it from any source, since the date of the last report, including ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name and address of each ***other*** contributor, and the age if under the legal voting age, employer of each contributor and the spouse of the contributor or, if the contributor or the spouse of the contributor

is self-employed, the name under which he is doing business, and occupation of each person or group contributing in excess of ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~] and if in cash it shall be so stated. An aggregate amount of cash contributions shall also be reported, the amount contributed by each and the date of the contribution, and a complete statement of all expenditures authorized, incurred or made, including "independent expenditures" as defined in KRS 121.150(1). This report shall be made by a permanent committee, inaugural committee, or contributing organization to the registry on the last day of the first calendar quarter following the registration of the committee with the registry and on the last day of each succeeding calendar quarter until such time as the committee terminates. A contributing organization shall file a report of contributions received and expenditures made on forms prescribed by the registry not later than the last day of each calendar quarter in which contributions are received or expenditures are made. All reports to the registry shall be postmarked or received not later than five (5) days after each filing deadline; and

(b) A permanent committee shall pay an administrative fee to the registry in an amount equal to five percent (5%) of the expenditures, including independent expenditures, the permanent committee makes in support of or opposition to all candidates or slates of candidates for office. The payment for the administrative fee shall accompany each report a permanent committee makes to the registry which documents expenditures in support of or defeat of any candidate or slate of candidates during the reporting period covered by the report. The amount of administrative fees received by the registry from permanent committees for each reporting period shall be transferred to the State Treasurer for deposit in the election campaign fund established by KRS 121A.020.

(7) If the final statement of a candidate, campaign committee, or political issues committee shows an unexpended balance of contributions, continuing debts and obligations, or an expenditure deficit, the campaign treasurer shall file with the registry a supplemental statement of contributions and expenditures not more than thirty (30) days after the deadline for filing the final statement. Subsequent supplemental statements shall be filed semiannually, to be in the hands of the registry or postmarked within ten (10) days after April 15 and October 15, until the account shows no unexpended balance, continuing debts and obligations, expenditures, or deficit. All contributions shall be subject to KRS 121.150.

(8) All reports filed under the provisions of this chapter shall be a matter of public record open to inspection by any member of the public immediately upon receipt of the report by the registry. A duplicate copy of each report filed with the registry shall be filed by the candidate, slate of candidates, or committee with the county clerk in the county in which the candidate or persons running as a slate of candidates reside at the same time. County clerks shall maintain these reports for public inspection for a period of one (1) year from the date the last report is required to be filed.

(9) A candidate or slate of candidates is relieved of the duty personally to file reports and keep records of receipts and expenditures if the candidate or slate states in writing or on forms provided by the registry that:

(a) Within five (5) business days after personally receiving any contributions, the candidate or slate of candidates shall surrender possession of the contributions to the treasurer of their principal campaign committee without expending any of the proceeds thereof. No contributions shall be commingled with the candidate's or slated candidates' personal funds or accounts. Contributions received by check, money order, or other written instrument shall be endorsed directly to the campaign committee and shall not be cashed or redeemed by the candidate;

(b) The candidate or slate of candidates shall not make any unreimbursed expenditure for the campaign, except that this paragraph does not preclude a candidate or slate from making an expenditure from personal funds to the designated principal campaign committee, which shall be reported by the committee as a contribution received; and

(c) The waiver shall continue in effect as long as the candidate or slate of candidates complies with the conditions under which it was granted.

(10) No candidate, slate of candidates, campaign committee, political issues committee, or contributing organization shall use or permit the use of contributions or funds solicited or received for the person or in support of or opposition to a public issue which will appear on the ballot to further the candidacy of the person for a different public office; to support or oppose a different public issue, or to further the candidacy of any other person for public office; except that nothing in this subsection shall be deemed to prohibit a candidate or slate of candidates from using funds in the campaign account to purchase admission tickets for any fundraising event or testimonial affair for another candidate or slate of candidates if the amount of the purchase does not exceed one hundred dollars ($100) per event or affair. Any funds or contributions solicited or received by or on behalf of a candidate, slate of candidates, or any committee, which has been organized in whole or in part to further any candidacy for the same person or to support or oppose the same

public issue, shall be deemed to have been solicited or received for the current candidacy or for the election on the public issue if the funds or contributions are solicited or received at any time prior to the regular election for which the candidate, slate of candidates, or public issue is on the ballot. Except as provided in KRS 121A.080(6), any unexpended balance of funds not otherwise obligated for the payment of expenses incurred to further a political issue or the candidacy of a person shall, in whole or in part, at the election of the candidate or committee, escheat to the State Treasury, be returned pro rata to all contributors, or, in the case of a partisan candidate, be transferred to the state or county executive committee of the political party of which the candidate is a member except that a candidate, committee, or an official may retain the funds to further the same public issue or to seek election to the same office or may donate the funds to any charitable, nonprofit, or educational institution recognized under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and any successor thereto.

(11) Any publisher of newspapers or magazines, owner or lessor of billboards, a radio or television station or network, or any other person, company, corporation, or business organization offering its communications or advertising services for hire to the public who receives funds for the purchase of advertising services or material shall file with the registry a copy of the material or communication purchased by any person to support or oppose any slate of candidates or committee, which shall be provided by the purchaser for filing with the registry, and a copy of the receipt for the funds paid, and shall identify for the registry the person purchasing the services or material, and the source of the funds used to make the purchase if different than the purchaser. The information shall be reported to the registry not more than thirty (30) days after receiving the initial advertising or communications purchase for an election and every thirty (30) days thereafter if purchases are made in the ensuing period; except that reports of purchases shall be made to the registry every fourteen (14) days during the fifty-six (56) days before the primary and regular elections for Governor and Lieutenant Governor. The provisions of this subsection shall apply only to purchases of advertising services or material to support or oppose a slate of candidates for election to the offices of Governor and Lieutenant Governor.

Section 61. KRS 121.220 is amended to read as follows:

(1) Each candidate, slate of candidates, and each committee shall, before receiving any contributions or expending any money, designate one (1) primary campaign depository for the purpose of depositing all contributions received and disbursing all expenditures made by the candidate, slate of candidates, or committee. The candidate, slate of candidates, or committee may also designate one (1) secondary depository in each county in which an election is held and in which the candidate, slate of candidates, or committee participates. Deputy campaign treasurers may make expenditures from secondary depositories but only from moneys which first have been deposited in the primary campaign depository. Only a financial institution authorized to transact business in Kentucky may be designated as a campaign depository. The candidate, slate of candidates, or committee shall file the name and address of each primary and secondary depository so designated at the same time the candidate, slate of candidates, or committee files the name of his or its campaign treasurer.

(2) All funds received by the campaign treasurer or any deputy campaign treasurer of any candidate or committee shall be deposited in a campaign depository in an account designated "Campaign Fund of (name of candidate or committee)." For each deposit, the campaign treasurer or deputy campaign treasurer shall retain a statement showing ***the name and business address of the permanent committee, the amount contributed, and a description of the major business, social, or political interest represented by the permanent committee for each contribution of any amount made by a permanent committee, and*** the full name, address, employer of each ***other*** contributor and the spouse of the contributor or, if the contributor or spouse of the contributor is self-employed, the name under which he is doing business, and occupation of each contributor of more than ***one*** [~~three~~] hundred dollars ***($100)*** [~~($300)~~] and the amount contributed. Cash contributions shall be accompanied by the same receipt form. The campaign treasurer or deputy campaign treasurer for a slate of candidates or a slate's campaign committee shall comply with the requirements of KRS 121A.080(6).

Section 62. KRS 121A.070 is amended to read as follows:

(1) All transfers received from the fund by a qualifying slate of candidates and all contributions or personal resources of any slate of candidates to be used for campaign expenditures shall be deposited in the candidate campaign account.

(2) ***For each deposit of a contribution of any amount from a permanent committee to a slate of candidates for Governor and Lieutenant Governor made in the slate's campaign account, there shall be retained by the campaign treasurer a short statement, in the form prescribed by the registry, showing:***

(a) The amount of each permanent committee's contribution deposited;

(b) The date each permanent committee's contribution was received; and

(c) The name and business address of the permanent committee and a description of the major business, social, or political interest represented by the permanent committee.

(3) For each deposit ***of funds received, other than contributions by permanent committees,*** in excess of one hundred dollars ($100) made in the account of any slate of candidates for Governor and Lieutenant Governor, there shall be retained by the campaign treasurer a short statement, in the form prescribed by the registry, showing:

(a) The amount of each contribution or amount of personal resources deposited;

(b) The date each contribution was received or each amount of personal resources was made available; and

(c) The name, address, and, in the case of individuals, occupation and employer of each contributor and the spouse of the contributor, and, if a contribution is made from the personal resources of the slate of candidates, the banks and account numbers from which the funds were transferred. The occupation listed for each contributor shall be specific. A general classification, such as "businessman," shall be insufficient. If the contributor or the spouse of the contributor is self-employed, the name under which he is doing business shall be listed.

(4)[~~(3)~~] The slate of candidates shall designate in writing, to be filed with the registry, not more than three (3) individuals who shall be authorized, in addition to the slate, to withdraw funds from the candidate campaign account.

(5)[~~(4)~~] No individual authorized to make withdrawals from the candidate campaign account shall pay any amount out of the account for goods or services furnished, other than staff salaries, except upon the presentation of an invoice submitted by the person to whom the payment is to be made. The invoice shall describe disbursements to persons, the name, address, occupation, and employer of each person, and the date and the amount disbursed. These invoices shall be preserved by the slate of candidates and made available for reasonable inspection and auditing by employees of the registry.

SECTION 63. A NEW SECTION OF KRS 121.150 TO 121.220 IS CREATED TO READ AS FOLLOWS:

(1) No candidate, committee, or contributing organization shall permit funds in a campaign account to be expended for any purpose other than for allowable campaign expenditures. "Allowable campaign expenditures" means expenditures including reimbursement for actual expenses, made directly and primarily in support of or opposition to a candidate, constitutional amendment, or public question which will appear on the ballot and includes, but is not limited to, expenditures for staff salaries, advertising, office space, necessary travel, campaign paraphernalia, communications with prospective voters, polling and consulting, printing, graphic arts, or advertising services, postage, office supplies, stationery, newsletters, and equipment which is used primarily for the administration of the campaign. "Allowable campaign expenditures" does not include expenditures of funds in a campaign account for any purpose made unlawful by other provisions of the Kentucky Revised Statutes or which would bestow a private pecuniary benefit, except for payment of the reasonable value of goods and services provided upon a candidate, member of the candidate's family, committee, or contributing organization, or any of their employees, paid or unpaid, including: tickets to an event which is unrelated to a political campaign or candidacy; items of personal property for distribution to prospective voters except items bearing the name, likeness, or logo of a candidate or a campaign-related communication; expenditures to promote or oppose a candidacy for a leadership position in a governmental, professional, or political organization, or other entity, and equipment or appliances the primary use of which is for purposes outside of the campaign. The provisions of KRS 121.190 notwithstanding, a candidate shall not be required to include a disclaimer on campaign stationery purchased with funds from his campaign account. A member of the General Assembly may utilize funds in his campaign account to purchase admission tickets for political party functions, to purchase items with a value of not in excess of one hundred dollars ($100) for donation to a political party for auctions and fundraisers, and to participate in or support other events sponsored by a political party.

(2) By December 31, 1993, the registry shall promulgate administrative regulations to implement and enforce the provisions of subsection (1).

(3) In lieu of the penalties provided in KRS 121.140 and 121.990 for a violation of this section, the registry may, after hearing:

(a) For a violation which was not committed knowingly, order the violator to repay the amount of campaign funds which were expended for other than allowable campaign expenditures, and if not repaid within thirty (30) days, may impose a fine of up to one hundred dollars ($100) for each day the amount is not repaid, up to a maximum fine of one thousand dollars ($1,000); and

(b) For a violation which was committed knowingly, in addition to referring the matter for criminal prosecution, order the violator to repay the amount of campaign funds which were expended for other than allowable campaign expenditures, and if not repaid within thirty (30) days, may impose a fine of up to one hundred dollars ($100) for each day the amount is not repaid, up to a maximum fine of one thousand dollars ($1,000).

Section 64. KRS 61.102 is amended to read as follows:

(1) No employer shall subject to reprisal, or directly or indirectly use, or threaten to use, any official authority or influence, in any manner whatsoever, which tends to discourage, restrain, depress, dissuade, deter, prevent, interfere with, coerce, or discriminate against any employee who in good faith reports, discloses, divulges, or otherwise brings to the attention of the ***Kentucky Legislative Ethics Commission, the*** Attorney General, the Auditor of Public Accounts, the General Assembly of the Commonwealth of Kentucky or any of its members or employees, the Legislative Research Commission or any of its committees, members or employees, the judiciary or any member or employee of the judiciary, any law enforcement agency or its employees, or any other appropriate body or authority, any facts or information relative to an actual or suspected violation of any law, statute, executive order, administrative regulation, mandate, rule, or ordinance of the United States, the Commonwealth of Kentucky, or any of its political subdivisions, or any facts or information relative to actual or suspected mismanagement, waste, fraud, ***abuse of authority,*** or ***a substantial and specific danger to*** [~~endangerment of~~] public health or safety. No employer shall require any employee to give notice prior to making such a report, disclosure, or divulgence.

(2) ***No employer shall subject to reprisal or discriminate against, or use any official authority or influence to cause reprisal or discrimination by others against any person who supports, aids, or substantiates any employee who makes public any wrongdoing set forth in subsection (1) of this section.***

(3) This section shall not be construed as:

(a) Prohibiting an employer from requiring that an employee inform him of an official request made to an agency for information, or the substance of testimony made, or to be made, by the employee to legislators on behalf of an agency;

(b) Permitting the employee to leave his assigned work area during normal work hours without following applicable law, administrative regulations, rules, or policies pertaining to leave, unless the employee is requested by ***the Kentucky Legislative Ethics Commission to appear before the commission, or by*** a legislator or a legislative committee to appear before a legislative committee;

(c) Authorizing an employee to represent his personal opinions as the opinions of his employer; or

(d) Prohibiting disciplinary or punitive action if an employee discloses information which he knows:

1. To be false or which he discloses with reckless disregard for its truth or falsity;

2. To be exempt from required disclosure under the provisions of KRS 61.870 to 61.884; or

3. Is confidential under any other provision of law.

Section 65. KRS 61.103 is amended to read as follows:

As used in this section, unless the context otherwise requires:

(1) (a) "Disclosure" means a person acting on his own behalf, or on behalf of another, who reported or is about to report, either verbally or in writing, any matter set forth in KRS 61.102.

(b) "Contributing factor" means any factor which, alone or in connection with other factors, tends to affect in any way the outcome of a decision. It shall be presumed there existed a "contributing factor" if the official taking the action knew or had constructive knowledge of the disclosure and acted within a limited period of time so that a reasonable person would conclude the disclosure was a factor in the personnel action.

(2)[~~(1)~~] Notwithstanding the administrative remedies granted by KRS Chapters 16, 18A, 78, 90, 95, 156, and other chapters of the Kentucky Revised Statutes, employees alleging a violation of KRS 61.102(1) ***or (2)*** may bring a civil action for appropriate injunctive relief or punitive damages, or both, within ninety (90) days after the occurrence of the alleged violation. ***The*** [~~Such~~] action may be filed in the Circuit Court for the county where the alleged violation occurred, the county where the complainant resides, or the county where the person against whom the civil complaint is filed resides or has his principal place of business.

(3)[~~(2)~~] Employees filing court actions under the provisions of subsection ***(2)*** [~~(1)~~] of this section shall show by ***a preponderance of evidence that the disclosure was a contributing factor in the personnel action. Once a prima facie case of reprisal has been established and disclosure determined to be a contributing factor to the personnel action, the burden of proof shall be on the agency to prove by clear and convincing evidence that the disclosure was not a material fact in the personnel action*** [~~clear and convincing evidence that they, or a person acting on their behalf, were about to report or have already reported, either verbally or in writing, a violation, or a suspected violation, of a law, statute, executive order, administrative regulation, mandate, rule, or ordinance of the United States, the Commonwealth of Kentucky, or any of its political subdivisions~~].

(4) Any employee who testifies in an official proceeding shall be afforded the same protections and rights as the employee who makes a disclosure as set forth in KRS 61.102.

Section 66. KRS 247.5089 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development and education, the increased use and sale, domestic and foreign, of small grains and small grains products; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of small grains and small grains products to market. None of these funds shall be used ***to lobby*** [~~for lobbying~~] as defined in ***Section 4 of this Act*** [~~KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Fund Utilization Committee, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Fund Utilization Committee.

Section 67. KRS 247.580 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used by the promotion board for the purpose of promoting and stimulating, by research, market development, and education, the increased use and sale, domestic and foreign, of soybeans and soybean products. These funds shall not be used ***to lobby*** [~~for lobbying~~] as defined in ***Section 4 of this Act*** [~~KRS 6.250~~]. The promotion board may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized.

Section 68. KRS 247.6029 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development and education, the increased use and sale, domestic and foreign, of corn and corn products; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of corn and corn products to market. None of these funds shall be used ***to lobby*** [~~for lobbying~~] as defined in ***Section 4 of this Act*** [~~KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Fund Utilization Committee, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds therefrom for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Fund Utilization Committee.

Section 69. KRS 247.6947 is amended to read as follows:

The funds, including donations from individuals, concerns, corporations, and grants from the state or governmental agencies, shall be used for the purpose of promoting and stimulating, by research, market development, and education, the increased use and sale, domestic and foreign, of sheep and lambs; and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of sheep and lambs to market. None of these funds shall be used ***to lobby*** [~~for lobbying~~] as defined in ***Section 4 of this Act*** [~~KRS 6.250~~]. The duly certified association receiving the assessment funds shall, upon the advice and consent of the Kentucky Sheep Council, use and disburse the same as follows:

(1) The association may first refund to itself therefrom the costs and expenses incurred in the conduct of the referendum;

(2) The association may spend or disburse the necessary funds for administrative costs and expenses, but no more than fifteen percent (15%) of the funds collected in any marketing year shall be so utilized; and

(3) The balance remaining shall be used for the purposes provided in this section, as determined by the Kentucky Sheep Council.

SECTION 70. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO READ AS FOLLOWS:

Nothing in Sections 1 to 44 of this Act shall preclude:

(1) A legislator or candidate from soliciting contributions on behalf of charitable, civic, or educational entities provided the solicitations are broad-based and are not directed solely or primarily at legislative agents;

(2) A legislator's spouse from being employed in some other capacity than a legislative agent by the employer of a legislative agent; or

(3) A legislator's spouse who was employed as a registered lobbyist on the date of passage of this Act from continuing to be employed as a legislative agent with the same employer.

SECTION 71. KRS 11A.010 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, or any legal entity through which business is conducted for profit;

(2) "Commission" means the Executive Branch Ethics Commission;

(3) "Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another;

(4) "Family" means spouse and children, as well as a person who is related to a public servant as any of the following, whether by blood or adoption: parent, brother, sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister;

(5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or anything of value, unless consideration of equal or greater value is received;

(6) "Income" means any money or thing of value received or to be received as a claim on future services, whether in the form of a fee, salary, expense allowance, forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other form of compensation or any combination thereof;

(7) "Officer" means all major management personnel in the executive branch of state government, including the secretary of the cabinet, the Governor's chief executive officers, cabinet secretaries, deputy cabinet secretaries, general counsels, commissioners, deputy commissioners, principal assistants, division directors, members and full-time chief administrative officers of the Parole Board, Board of Tax Appeals, Board of Claims, Public Service Commission, Worker's Compensation Board and its administrative law judges, the Occupational Safety and Health Review Commission, the State Board for Elementary and Secondary Education, the State Board for Adult and Technical Education, and any other management personnel with procurement authority;

(8) "Official duty" means any responsibility imposed on a public servant by virtue of his position in the state service;

(9) "Public servant" means:

(a) The Governor;

(b) The Lieutenant Governor;

(c) The Secretary of State;

(d) The Attorney General;

(e) The Treasurer;

(f) The Commissioner of Agriculture;

(g) The Superintendent of Public Instruction;

(h) The Auditor of Public Accounts;

(i) Each Railroad Commissioner; and

(j) All employees in the executive branch including officers as defined in subsection (7) of this section and merit employees;

(10) "State agency" means every state office, department, division, board, commission, institution, public corporation, and authority within the executive branch;

(11) "Lobbyist" means any person employed as a legislative agent or legislative counsel to promote, oppose, or act with reference to any legislation which affects, or may affect, private pecuniary interests, as distinct from those of the whole people; [~~and~~]

(12) "Lobbyist's principal" means the entity in whose behalf the lobbyist promotes, opposes, or acts with reference to legislative action***; and***

(13) "Candidate" means those persons who have officially filed candidacy papers or who have been nominated by their political party pursuant to KRS 118.105, 118.115, 118.325, or 118.760 for any of the offices enumerated in subsections (9)(a) to (i) of this section.

Section 72. KRS 11A.050 is amended to read as follows:

(1) Each officer***,*** [~~and~~] each public servant listed in KRS 11A.010(9)(a) to (i)***, and each candidate*** shall file a statement of financial disclosure with the commission, as follows:

(a) Each officer and each public servant listed in KRS 11A.010(9)(a) to (i) appointed to or employed in any position as of January 1 of any year shall file the statement for the preceding calendar year, complete through December 31, with the commission on or before April 15 of each year.

(b) Each officer and each public servant listed in KRS 11A.010(9)(a) to (i) of this Act appointed to or employed in any position after January 1 of any year shall file the statement reflecting the previous calendar year with the commission no later than thirty (30) days after the date of appointment or employment.

(c) A candidate shall file the statement reflecting the previous calendar year with the commission no later than February 15.

(2) The statement of financial disclosure shall be filed on a form prescribed by the commission. The commission shall provide copies of the form upon request without charge.

(3) The statement shall include the following information for the preceding calendar year:

(a) Name and entire residential and business address of filer;

(b) Title of position or office whereby filing is required;

(c) Any other occupations of filer and spouse;

(d) Positions held by the filer or his spouse in any business, partnership, or corporation for profit;

(e) Names and addresses of all businesses in which the filer, his spouse, or dependent children has or had an interest of ten thousand dollars ($10,000) at fair market value or five percent (5%) ownership interest or more;

(f) Sources of gross income of the filer or his spouse, as well as information concerning the nature of the business, and the form of the income;

(g) Sources of retainers received by the filer or his spouse;

(h) Any representation or intervention for compensation by the filer or his spouse for any person before policy-making entities in state government;

(i) All positions of a fiduciary nature in a business;

(j) Information regarding any real property in which there is an interest of ten thousand dollars ($10,000) or more held by the filer, his spouse, or dependent children;

(k) Sources of gifts of money or property with a retail value of more than two hundred dollars ($200) to the filer, his spouse, or dependent children, except those from spouse, parents, or grandparents; and

(l) Identity of creditors owed more than ten thousand dollars ($10,000), except debts arising from the purchase of consumer goods.

Paragraphs (a) to (l) of this subsection shall not require disclosure of specific dollar amounts or of privileged information.

Section 73. KRS 11A.080 is amended to read as follows:

(1) (a) Upon a complaint signed under penalty of perjury by any person, or upon its own motion, the commission shall investigate any alleged violation of this chapter.

(b) Not later than ten (10) days after the commission receives the complaint, the commission shall initiate a preliminary inquiry into any alleged violation of this chapter.

(c) Within ***sixty (60)*** [~~thirty (30)~~] days of the commencement of the inquiry, the commission shall forward a copy of the complaint and a general statement of the applicable law to the person alleged to have committed a violation.

(2) All commission proceedings and records relating to a preliminary investigation shall be confidential until a final determination is made by the commission, except:

(a) The commission may turn over to the Attorney General, the United States Attorney, or the Commonwealth's Attorney of the jurisdiction in which the offense allegedly occurred, evidence which may be used in criminal proceedings; and

(b) If the complainant or alleged violator publicly discloses the existence of a preliminary investigation, the commission may publicly confirm the existence of the inquiry and, in its discretion, make public any documents which were issued to either party.

(3) If the commission determines in the preliminary investigation that the complaint does not allege facts sufficient to constitute a violation of this chapter, the commission shall immediately terminate the inquiry and notify in writing the complainant and the person alleged to have committed a violation. The commission may confidentially inform the alleged violator of potential violations and provide information to ensure future compliance with the law. If the alleged violator publicly discloses the existence of such action by the commission, the commission may confirm the existence of the resolution and, in its discretion, make public any documents which were issued to the alleged violator.

(4) If the commission, during the course of the preliminary investigation, finds probable cause to believe that a violation of this chapter has occurred, the commission may, upon majority vote:

(a) Due to mitigating circumstances such as lack of significant economic advantage or gain by the alleged violator, lack of significant economic loss to the state, or lack of significant impact on public confidence in government, in writing, confidentially reprimand the alleged violator for potential violations of the law and provide a copy of the reprimand to the alleged violator's appointing authority, if any. If the alleged violator publicly discloses the existence of such an action, the commission may confirm the existence of the action and, in its discretion, make public any documents which were issued to the alleged violator; or

(b) Initiate an adjudicatory proceeding to determine whether there has been a violation.

Section 74. KRS 11.400 is amended to read as follows:

(1) In addition to the duties prescribed for the office by the Constitution of the Commonwealth of Kentucky and by the rules of the Senate, the duties of the Lieutenant Governor shall be as follows:

(a) To serve as vice chairman of the State Property and Buildings Commission as prescribed by KRS 56.450;

(b) To serve as vice chairman of the Kentucky Turnpike Authority as prescribed in KRS 175.430;

(c) To serve as a member of the Kentucky Council on Agriculture in accordance with KRS 247.417;

(d) To serve as vice chairman of the County Debt Commission as provided in KRS 66.300;

(e) [~~To appoint three (3) members of the Board of Ethics of the Kentucky General Assembly in accordance with KRS 6.810;~~

~~(f)~~] To appoint one (1) member of the Public Officials' Compensation Commission as provided in KRS 64.742;

(f)[~~(g)~~] To serve as a member of the Board of the Kentucky Housing Corporation in accordance with KRS 198A.030;

(g)[~~(h)~~] To serve as a member of the Appalachian Development Council as provided in KRS 154.33-020; ***and***

(h)[~~(i)~~] To serve as a member of Kentucky delegations on the following interstate compact commissions or boards:

1. The Southern Growth Policies Board as prescribed by KRS 147.585;
2. The Breaks Interstate Park Commission as provided in KRS 148.225;
3. The Falls of the Ohio Interstate Park Commission pursuant to KRS 148.242;
4. The Tennessee-Tombigbee Waterway Development Authority pursuant to KRS 182.305;
5. The Interstate Water Sanitation Control Commissions as prescribed by KRS 224.18-710; and
6. The Kentucky Mining Advisory Council for the Interstate Mining Compact as provided by KRS 350.310.

(2) Nothing in this section shall prohibit the Governor and Lieutenant Governor from agreeing upon additional duties within the executive branch of the state government to be performed by the Lieutenant Governor.

Section 75. KRS 16.652 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the member, and in further consideration of benefits received by the state from the member's employment, KRS 16.510 to 16.645***, except as provided in Section 44 of this Act,*** shall constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall***, except as provided in Section 44 of this Act,*** not be subject to reduction or impairment by alteration, amendment or repeal.

Section 76. KRS 21.480 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the members, and in further consideration of benefits received by the state through the inducement of qualified and experienced judges and commissioners to continue in service, KRS 21.350 to 21.510, ***except as provided in Section 44 of this Act,*** shall constitute an inviolable contract of the Commonwealth, and the rights and benefits provided therein shall, ***except as provided in Section 44 of this Act,*** not be subject to reduction or impairment by alteration, amendment or repeal.

Section 77. KRS 61.625 is amended to read as follows:

(1) If a member's employment has been terminated or if the member is employed by a participating employer in an employment status as defined in KRS 61.510(21)(a) to (d) or 78.510(21)(a) to (d), that does not require the member to participate in the system, the member if living, or if not living, his designated beneficiary, shall have the right to request a refund of his accumulated contributions, including the amount of any employee contributions picked up by the employer pursuant to KRS 61.560(4), reduced by the amount of any retirement allowances previously received. Payments made under this section shall be in lieu of any other benefits due for the period of service under any of the provisions of KRS 16.510 to 16.652, [~~and~~] 61.515 to 61.705, and 78.520 to 78.852, unless the period of service is regained as provided under KRS 61.552. Payments of picked up employee contributions shall be subject to state and federal tax as appropriate.

(2) Refund of contributions of members whose benefits have been terminated pursuant to Section 44 of this Act shall be governed by that section.

Section 78. KRS 61.692 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the members and in further consideration of benefits received by the state from the member's employment, KRS 61.510 to 61.705 shall, ***except as provided in Section 44 of this Act,*** constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall, ***except as provided in Section 44 of this Act,*** not be subject to reduction or impairment by alteration, amendment, or repeal.

Section 79. KRS 61.710 is amended to read as follows:

(1) KRS 61.710 to 61.780 apply to [~~members of the General Assembly,~~] Justices and Judges of the Court of Justice, Commonwealth's attorneys, and all candidates for all those offices. KRS 61.710 to 61.780 also apply to a person appointed to a vacancy in an unexpired term of any office mentioned above.

(2) KRS 61.710 to 61.780 also apply to:

(a) Any employee of a daily newspaper of 50,000 or more circulation published in Kentucky who either orally, or in writing contributes to the editorial policy of the newspaper; and

(b) Any employee of a radio or television station that is owned in common with a newspaper described above who directly or indirectly contributes to the editorial policy of the station.

Section 80. KRS 78.852 is amended to read as follows:

It is hereby declared that in consideration of the contributions by the members and in further consideration of benefits received by the county from the member's employment, KRS 78.510 to 78.852 shall, ***except as provided in Section 44 of this Act,*** constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall, ***except as provided in Section 44 of this Act,*** not be subject to reduction or impairment by alteration, amendment, or repeal.

Section 81. KRS 161.530 is amended to read as follows:

Except as provided in Section 44 of this Act, if a member, whose account has been forfeited under previous provisions of this section, shall return to teaching in a covered position in Kentucky, and reinstates the lost service credit as provided in KRS 161.470(3), the funds transferred from the member's account shall be restored to such account and shall be credited against the payment required for reinstatement of service credit.

Section 82. KRS 161.714 is amended to read as follows:

It is hereby declared that in consideration of the contributions by members and in further consideration of benefits received by the state from the member's employment, KRS 161.220 ***to*** [~~through~~] 161.710 shall constitute, ***except as provided in Section 44 of this Act,*** an inviolable contract of the Commonwealth, and the benefits provided herein shall*, **except as provided in Section 44 of this Act,*** not be subject to reduction or impairment by alteration, amendment, or repeal.

Section 83. KRS 6.825 is amended to read as follows:

Nothing in ***Sections 1 to 44 of this Act*** [~~KRS 6.750 to 6.825~~] is intended to nor is to be construed as repealing or modifying in any way the provisions of any of the criminal or penal laws of this state but shall be held and construed as ancillary and supplemental thereto.

Section 84. The following KRS sections are repealed:

6.250 Definition of "lobbyist."

6.260 When lobbyist may be employed — Contingent fee forbidden — Activities permitted.

6.270 Registration of lobbyists.

6.280 Legislative docket — Information to be entered.

6.290 Written authority to be filed by lobbyist.

6.300 Expenses of employers and lobbyists — Statement.

6.310 Lobbying on floor of House or Senate.

6.320 Corrupt lobbying.

6.755 Principles of ethical behavior for legislators.

6.760 Conflict of interest — Disqualification from voting — Disclosure of interest.

6.765 Personal or private interest defined — Exceptions.

6.770 Guidelines to determine necessity of abstention from voting due to conflict of interest.

6.780 Acceptance of economic opportunity prohibited.

6.785 Lobbying for compensation by legislator prohibited.

6.805 Board of Ethics authorized to inquire into violations of KRS 6.760 to 6.800.

6.810 Board of Ethics established — Membership — Chairman — Compensation and expenses.

6.820 Functions, powers and duties of board.

6.850 Definitions — Annual report.

6.990 Penalties — Forfeiture of corporate charter.

Section 85. (1) To carry out the purposes of this Act, there is appropriated to the Kentucky Legislative Ethics Commission out of the 1992-94 biennial budget appropriations from the general fund to the legislative branch budget the sum of fifty thousand dollars ($50,000) for the 1992-1993 fiscal year and two hundred thousand dollars ($200,000) for the 1993-1994 fiscal year.

In addition to the above appropriations, the available balance upon the effective date of this Act of the 1992-94 biennial budget appropriations from the general fund to the Legislative Board of Ethics for fiscal year 1992-93 and fiscal year 1993-94 shall be transferred to the Kentucky Legislative Ethics Commission.

Also, any restricted funds collected by the Kentucky Legislative Ethics Commission during fiscal year 1992-93 and fiscal year 1993-94, pursuant to this Act, shall be available for expenditure in fiscal year 1993-94, not to exceed $116,000, by the Kentucky Legislative Ethics Commission and are hereby appropriated.

Any unexpended funds appropriated to the Kentucky Legislative Ethics Commission at the end of fiscal year 1992-93 shall not lapse but shall be carried forward into fiscal year 1993-94.

(2) In addition to the appropriations provided in KRS Chapter 287, Section 17 of the 1992 Acts of the General Assembly of the Commonwealth of Kentucky, for the 1992-94 biennial appropriations to the Executive Branch Ethics Commission, there is appropriated from the general fund ten thousand dollars ($10,000) in fiscal year 1992-93 and twenty-nine thousand dollars ($29,000) in fiscal year 1993-94 to the commission. Any unexpended 1992-93 appropriation balance shall not lapse, but shall be carried forward to fiscal year 1993-94.

Section 86. The balance a candidate has in his campaign account on November 2, 1993, shall not be subject to the limitations of subsection (25) of Section 57 of this Act.

Section 87. The following transition schedule shall apply to this Act:

(1) On the effective date of this Act, the authority of any person or organization to take an action required by this Act for the appointment of members of the Kentucky Legislative Ethics Commission shall commence.

(2) On the effective date of this Act, all existing statutes affected by this Act shall continue in effect, unamended, until an amendment or repeal provision becomes effective at the time specified within subsection (13) of this section or within Sections 88, 89, and 90 of this Act.

(3) On the effective date of this Act, the Board of Ethics of the Kentucky General Assembly shall remain as the body responsible for the provisions of KRS Chapter 6, until the members of the new commission provided for within this Act take office.

(4) On the effective date of this Act, and until the time specified within this Section for implementation of registration of legislative agents with the commission, the Attorney General shall remain responsible for these registrations.

(5) Within forty-five (45) days of the effective date of this Act, persons or organizations required to submit names of nominees for the commission shall submit them to the person to whom they are to be submitted as required within this Act.

(6) Within sixty (60) days of the effective date of this Act, the Legislative Research Commission, President of the Senate, and Speaker of the House of Representatives shall make the appointments of commission members required within this Act.

(7) Within seventy-five (75) days of the effective date of this Act, the members of the commission shall be officially sworn in and take office. On this date:

(a) The terms of the members of the Board of Ethics of the Kentucky General Assembly shall terminate, regardless of the date of their appointment to that Board, and their terms shall be deemed to have been shortened to that date, regardless of the original length of appointment, and records of the board shall be transferred to the commission; and

(b) Enforcement powers of the commission shall commence with respect to existing provisions of KRS Chapter 6.

(8) Within ninety (90) days of the effective date of this Act, the commission shall meet and choose its chairman and other officers as provided within this Act.

(9) Within one hundred fifty (150) days of the effective date of this Act, the commission shall employ an executive director and such other initial employees as it deems necessary.

(10) Within one hundred eighty (180) days of the effective date of this Act, the commission shall promulgate administrative regulations and shall file with those administrative regulations, by reference, forms and other materials necessary for implementation and administration of this Act.

(11) Two hundred ten (210) days after the effective date of this Act, all previous administrative regulations relating to subjects covered by this Act or issued by the Board of Ethics of the Kentucky General Assembly shall expire and the administrative regulations issued by the commission shall become effective, unless they have already been placed into effect by the commission. Enforcement of newly enacted or amended statutes shall commence. Records of the Attorney General relating to legislative agents and employers of legislative agents shall be transferred to the commission.

(12) The commission need not present an ethics training program prior to the two hundred ten (210) days required for full implementation of programs of the commission but shall conduct initial ethics training

not less than thirty (30) days prior to the 1994 Regular Session of the General Assembly. The commission shall not be required to present a current issues seminar in 1994.

(13) Except as provided in Sections 88, 89, and 90 of this Act, Sections 1 to 84 of this Act shall become effective two hundred ten (210) days after the effective date of this Act.

Section 88. (1) On November 3, 1993, the following provisions shall become effective: Section 56, Section 57(4), Section 57(25), Section 58, Section 60(2), Section 60(3), Section 61, and Section 63; and

(2) Notwithstanding the provisions of subsection (1), the provisions of Section 56, Section 57(4), Section 57(25), Section 58, Section 60(2), Section 60(3), Section 61, and Section 63 as amended by this Act shall not apply to the primary and regular elections held in 1993.

Section 89. On January 1, 1994, the following provisions shall become effective: Section 57(7), Section 57(10), Section 59, and Section 60(6).

Section 90. Sections 60(1) and 62 shall become effective on the effective date of this Act.

Section 91. Section 46 of this Act shall not apply to acts committed prior to the effective date of this Act. Sections 6, 8, 9, and 10 of this Act shall not apply to contracts held, or to cases or negotiations in progress on the effective date to this Act.

Section 92. Whereas it is increasingly important that public confidence in the integrity of state government and its officials be maintained, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.";

and delete pages 2 through 146 in their entirety.

Direct the clerk, on enrollment, to make appropriate section number changes to conform with this report.

Senators John A. Rose, David K. Karem; Representatives Joe Clarke, Kenny Rapier, Jody Richards, Gregory Stumbo, Larry Clark.

The above-named members, in separate votes by house, all concur in the provisions of this report.

Representative Stumbo moved that **SB 7**, as amended by the Free Conference Committee Report, be passed.

On the roll call the vote was: Yeas 99, Nays 0. (See February 16, 1993 roll call on **SB 7** - Appendix.)

SB 7, as amended by the Free Conference Committee Report, was passed and the title agreed to.

Representative Stumbo moved that the vote by which **SB 7**, as amended by the Free Conference Committee Report, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Stumbo moved that the rules be suspended to act upon **SCR 34**. Agreed.

Representative Stumbo moved the adoption of the following **SCR 34**:

SCR 34, A CONCURRENT RESOLUTION to adjourn the 1993 Extraordinary Session of the General Assembly sine die.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Tuesday, February 16, 1993, they do adjourn sine die.

SCR 34 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended to act upon **HR 42**. Agreed.

Representative Stumbo moved the adoption of the following **HR 42**:

HR 42, A RESOLUTION adjourning the 1993 Extraordinary Session on Ethics in remembrance and honor of Jesus Christ, the Prince of Ethics.

WHEREAS, on September 17, 1796, President George Washington stated: "Of all the dispositions and habits, which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of Patriotism, who should labor to subvert these great pillars of human happiness The mere politician . ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligation desert .? And let us with caution indulge the supposition, that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds . . .reason and experience both forbid us to expect that national morality can prevail, in exclusion of religious principle"; and

WHEREAS, on June 21, 1776, President John Adams wrote: "Statesmen, my dear Sir, may plan and speculate for liberty, but it is Religion and Morality alone, which can establish the Principles upon which Freedom can securely stand . . .the only foundation of a free Constitution, is pure Virtue, and if this cannot be inspired into our People, in a greater Measure, than they have it now, they may change their Rulers, and the forms of Government, but they will not obtain a lasting Liberty"; and

WHEREAS, on October 11, 1798, President John Adams further explained: "We have no government armed with power capable of contending with human passions unbridled by morality and religion. Avarice, ambition, revenge, or gallantry, would break the strongest cords of our Constitution as a whale goes through a net. Our Constitution was made only for a moral and religious people. It is wholly inadequate to the government of any other"; and

WHEREAS, in 1816, President Thomas Jefferson, author of the Declaration of Independence authored the book, "*The Life and Morals of Jesus of Nazareth*" which was printed pursuant to the following Concurrent Resolution adopted by the fifty-seventh Congress, first session to restrain unethical behavior: "That there be printed and bound, for the use of Congress, 9,000 copies of Thomas Jefferson's Morals of Jesus of Nazareth, 3,000 copies for the use of the Senate and 6,000 copies for the use of the House"; and

WHEREAS, on June 20, 1785, President James Madison stated: "Religion [is] the basis and Foundation of Government"; and

WHEREAS, on July 4, 1837, President John Quincy Adams pointed out: "Is it not that the Declaration of Independence first organized the social compact on the Foundation of the Redeemer's mission upon earth? That it laid the conerstone of human government upon the first precepts of Christianity?"; and

WHEREAS, on March 20, 1780, Founding Matriarch Abigail Adams wrote to John Quincy Adams: "The only sure and permanent foundation of virtue is religion. Let this important truth be engraven upon your heart . Justice, humanity and benevolence are the duties you owe to society in general. To your Country the same duties are incumbent upon you with the additional obligation of sacrificing ease, pleasure, wealth and life itself for its defense and security"; and

WHEREAS, in his 1823 textbook, preeminent educator Noah Webster, author of the America's first comprehensive dictionary and the Founding Father responsible for Article I, Section 8, of the Constitution wrote: "It is alleged by men of loose principles, or defective views of the subject, that religion and morality are not necessary or important qualifications for political stations. But the Scriptures teach a different doctrine. They direct that rulers should be men who rule in the fear of God, able men, such as fear God, men of truth, hating covetousness. But if we had no divine instruction on the subject, our own interest would demand of us a strict observance of the principle of these injunctions. And it is to the neglect of this rule of conduct in our citizens, that we must ascribe the multiplied frauds, breaches of trust, peculations and embezzlements of public property which astonish even ourselves; which tarnish the character of our country; which disgrace a republican government; and which will tend to reconcile men to monarchy in other countries and even in our own"; and

WHEREAS, on March 9, 1790, Founding Father and signer of the Declaration of Independence and the Constitution, Benjamin Franklin, stated: "As to Jesus of Nazareth . . . I think His system of morals . . . , as He left them to us, the best the world ever saw or is likely to see"; and

WHEREAS, in 1798, Founding Father, signer of the Declaration of Independence, and father of public schools following the adoption of the Constitution, Benjamin Rush, testified: "The only foundation for . . . a republic is to be laid in Religion. Without this there can be no virtue, and without virtue there can be no liberty, and liberty is the object and life of all republican governments;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the House of Representatives adjourns the 1993 Extraordinary Session on Ethics, it does so in remembrance and honor of Jesus Christ, the Prince of Ethics.

HR 42 was adopted by voice vote.

Representative Stumbo moved that a call of the roll be taken to show co-sponsors of **HR 42**. Agreed.

On the roll call the vote was yeas 85—Ackerson, Adams, Adkins, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bryant, Butler, Callahn, Cave, L. Clark, P. Clark, Clarke, Coleman, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, K. Harper, Hatcher, Heleringer, Jensen, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Stumbo moved that the vote by which **HR 42** was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Stumbo moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 48, by Representative Stumbo: A RESOLUTION adjourning the House of Representatives in memory of King Pharaoh "Buddy" Bryant.

Representative Stumbo moved the adoption of the following **HR 48**:

HR 48, A RESOLUTION adjourning the House of Representatives in memory of King Pharaoh "Buddy" Bryant.

WHEREAS, King Pharaoh "Buddy" Bryant died February 6, 1993 at the age of ninety-six; and

WHEREAS, King Pharaoh "Buddy" Bryant has departed this world for eternal life with his Savior the Lord; and

WHEREAS, King Pharaoh "Buddy" Bryant, prominent citizen of Wheelwright, Kentucky, was formerly a coal miner, and was, at the end of his life serving as constable for Floyd County, District 3, a position he had held for many years; and

WHEREAS, King Pharaoh "Buddy" Bryant had been constable since 1969; and

WHEREAS, King Pharaoh "Buddy" Bryant was among the oldest active law enforcement officers serving in Kentucky and perhaps in the United States of America; and

WHEREAS, the forthright qualities he exhibited, including his genuine sense of propriety and his willingness to provide ready assistance whenever called upon, endeared him to those who were fortunate enough to have known and loved King Pharaoh "Buddy" Bryant;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby express its deep sense of loss and bereavement upon the death of King Pharaoh "Buddy" Bryant, and does extend to his family its heartfelt sympathy and condolences.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of King Pharaoh "Buddy" Bryant.

Section 3. That the Clerk of the House of Representatives is directed to send ten copies of this Resolution to Willie Bryant, Wheelwright, Kentucky 41669 for distribution to family members.

HR 48 was adopted by voice vote.

Representative Stumbo moved that no further business be conducted on this day other than Senate Messages, Enrollment of Bills and Adjournment. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so by voice vote. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so until Tuesday, January 4, 1994 unless called into extraordinary session by the Governor. Agreed.

Recess

Representative Stumbo moved that the House recess until 8:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported that SB 7 has been examined and found correctly enrolled. Said Bill read at length, compared and signed in open session by the Speaker, and ordered delivered to the Senate. (Time: 8:03 p.m.)

Announcements

The following meeting was announced:

Minority Caucus, 4:30 p.m., Room 125, February 16, 1993

Representative Stumbo moved that the reading of the Journal of February 16, 1993 be dispensed with and the same approved. Agreed.

The Journal of the House of Representatives for the First Extraordinary Session of 1993 was read, compared and approved by the House. Agreed.

Adjournment

Representative Stumbo moved that the House adjourn sine die until Tuesday, January 4, 1994 unless otherwise called into extraordinary session by the Governor.

The motion that the House adjourn sine die until Tuesday, January 4, 1994 unless otherwise called into extraordinary session by the Governor was adopted by voice vote.

The House adjourned sine die.

APPROVED: /s/Joe Clarke, Speaker
House of Representatives

ATTEST: /s/Evelyn Marston, Chief Clerk
House of Representatives

KENTUCKY GENERAL ASSEMBLY
1993 FIRST EXTRAORDINARY SESSION

HOUSE

Officers

Speaker	Joe Clarke
Speaker Pro Tem	Larry Clark
Chief Clerk	Evelyn Marston
Assistant Clerk	Julie Wheat
Enrolling Clerk	Margaret Watts
Sergeant At Arms	Emmett A. Slattery
Chief Doorkeeper	William "Bunny" Davis
Cloakroom Keeper	Lawrence Parrish
Cloakroom Keeper	Albert Robinson
Janitor	George Fritz

(Legislators' names are in alphabetical order with party affiliation designated by initial, home town, counties in district, and number of the legislative district.)

ACKERSON, JON W. (R-Jeffersontown) Jefferson, 47
ADAMS, ROYCE W. (D-Dry Ridge) Carroll, Grant, Harrison, Owen, Pendleton, 61
ADKINS, ROCKY (D-Sandy Hook) Boyd, Elliott, Lawrence, 99
ALLEN, WILLARD C. "WOODY" (R-Morgantown) Butler, Grayson, Ohio, 17
ALTMAN, RAY H. (R-Campbellsville) Green, Metcalfe, Taylor, 51
ARNOLD, ADRIAN (D-Mount Sterling) Bath, Menifee, Montgomery, Powell, 74
BALLARD, EDDIE (D-Madisonville) Hopkins, 10
BARROWS, JOSEPH HOWARD (D-Versailles) Franklin, Jessamine, Woodford, 56
BENTLEY, RUSSELL O. (D-Topmost) Floyd, Knott, Letcher, Perry, 92
BLANDFORD, DONALD J. (D-Philpot) Daviess, 14
BOWLING, MICHAEL DEAN (D-Middlesboro) Bell, Harlan, Leslie, 87
BROWN, MARK S. (D-Brandenburg) Bullitt, Hardin, Meade, 27
BRUCE, JAMES E. (D-Hopkinsville) Christian, Hopkins, 9
BRYANT, JO ELIZABETH (R-Williamsburg) McCreary, Whitley, 82
BUIS, JEFFREY (R-Liberty) Casey, Russell, Wayne, 52
BURCH, THOMAS J. (D-Louisville) Jefferson, 30
BUTLER, DENVER (D-Louisville) Jefferson, 38
CALLAHAN, JAMES P. (D-Southgate) Campbell, Kenton, 67
CAVE, STAN (R-Lexington) Fayette, 45
CLARK, LARRY (D-Louisville) Jefferson, 46
CLARK, PAUL (D-Louisville) Jefferson, 37
CLARKE, P. JOSEPH (D-Danville) Boyle, Lincoln, 54
COLEMAN, JACK L., JR. (D-Burgin) Anderson, Mercer, Spencer, 55
COLLINS, HUBERT (D-Wittensville) Johnson, Magoffin, Martin, 97
CRENSHAW, JESSE (D-Lexington) Fayette, 77
CURD, FREED (D-Murray) Calloway, Trigg, 5
CYRUS, RONALD R. (D-Flatwoods) Greenup, 98
DAMRON, ROBERT R. (D-Nicholasville) Garrard, Jessamine, Lincoln, 39
DESKINS, HERBERT "HERBIE," JR. (D-Pikeville) Martin, Pike, 94
DEWEESE, BOB (R-Louisville) Jefferson, 48
DONNERMEYER, WILLIAM I., SR. (D-Bellevue) Bracken, Campbell, Pendleton, 68
FARLEY, DONALD B. (R-Ashland) Boyd, 100
FARROW, MARK (D-Stamping Ground) Harrison, Scott, 62

FORD, DANNY R. (R-Mt. Vernon) McCreary, Pulaski, Rockcastle, Wayne, 80
FOX, RICK (D-Harlan) Harlan, 88
FRENCH, KENNY R. (D-Warsaw) Boone, Gallatin, 60
GEDLING, DONNIE (D-Hardinsburg) Breckinridge, Hancock, Hardin, Meade, 18
GEE, WALTER (R-Grayson) Carter, Lewis, 96
GEVEDEN, CHARLES R. (D-Wickliffe) Ballard, Carlisle, Fulton, Hickman, McCracken, 1
GRAHAM, DREW (D-Winchester) Clark, Powell, 73
GRAY, LEONARD (D-Louisville) Jefferson, 42
HANCOCK, C. M. "HANK" (D-Frankfort) Franklin, 57
HARPER, JOHN (R-Shepherdsville) Bullitt, 49
HARPER, KENNETH F. (R-Crestview Hills) Kenton, 63
HATCHER, E. PORTER, JR. (D-Louisville) Jefferson, 43
HELERINGER, BOB (R-Louisville) Jefferson, 33
HOURIGAN, DAVE (D-Gravel Switch) Hart, Larue, Marion, Washington, 24
JENSEN, TOM (R-London) Laurel, 85
JOHNSON, E. LOUIS (D-Owensboro) Daviess, 13
KEITH, STEPHEN C. (R-Manchester) Clay, Leslie, Perry, 90
KERR, THOMAS R. (D-Taylor Mill) Kenton, 64
LEAR, WILLIAM M., JR. (D-Lexington) Fayette, 79
LEE, JIMMY (D-Elizabethtown) Hardin, 25
LeMASTER, JIM (D-Paris) Bourbon, Fayette, Nicholas, 72
LEWIS, RICHARD H. (D-Benton) Caldwell, Lyon, Marshall, 6
LILE, BILL (R-Valley Station) Jefferson, 28
LINDSEY, GROSS C. (D-Henderson) Henderson, 11
LITTLE, N. CLAYTON (D-Virgie) Pike, 93
LONG, MARSHALL (D-Shelbyville) Henry, Shelby, Trimble, 58
LYNE, JUNE D. (D-Olmstead) Logan, Todd, 16
MAGGARD, JIM (D-Jackson) Breathitt, Magoffin, Perry, Wolfe, 89
MASON, PAUL (D-Whitesburg) Letcher, Perry, Pike 91
McELROY, SAM M. (D-Waverly) Daviess, Henderson, Union, 7
MOBERLY, HARRY, JR. (D-Richmond) Madison, 81
MORRIS, H. RAMSEY, JR. (D-Hopkinsville) Christian, Trigg, 8
MULLINIX, RAY (R-Burkesville) Adair, Clinton, Cumberland, Wayne, 53
NAPIER, LONNIE (R-Lancaster) Garrard, Jackson, Lincoln, Madison, Pulaski, 36
NELSON, CHARLES “PREACHER” (D-Bremen) McLean, Muhlenberg, 15
NESLER, FRED (D-Mayfield) Graves, McCracken, 2
NOLAND, CLARENCE D., Jr. (R-Irvine) Estill, Jackson, Lee, Owsley, 84
NORTHUP, ANNE MEAGHER (R-Louisville) Jefferson, 32
NUNN, STEPHEN R. (R-Glasgow) Barren, Metcalfe, 23
PALUMBO, RUTH ANN (D-Lexington) Fayette, 76
PEARMAN, VIRGIL (D-Radcliff) Bullitt, Hardin, Larue, 26
RAPIER, KENNY (D-Bardstown) Nelson, Spencer, Washington, 50
RASCHE, FRANK (D-Paducah) McCracken, 3
REINHARDT, JON DAVID (R-Alexandria) Boone, Campbell, Kenton, 69
RICHARDS, JODY (D-Bowling Green) Warren, 20
RIDLEY, J. DORSEY (D-Dixon) Caldwell, Hopkins, McLean, Webster, 12
RIGGS, STEVE (D-Louisville) Jefferson, 31
RINER, TOM (D-Louisville) Jefferson, 41
SANDERS, RICHARD A. “RICHIE,” JR. (R-Smiths Grove) Edmonson, Grayson, Hardin, Warren, 19
SCORSONE, ERNESTO (D-Lexington) Fayette, 75
SHACKLETTE, DONNA (D-Louisville) Jefferson, 40
SHEEHAN, MARTIN J. (D-Covington) Kenton, 65
SMITH, BILLY RAY (D-Bowling Green) Simpson, Warren, 21

SMITH, REX (D-Grand Rivers) Crittenden, Livingston, McCracken, 4
SMITH, TOM O'DELL (R-Gray) Knox, Laurel, 86
STACY, JOHN WILL (D-West Liberty) Magoffin, Menifee, Morgan, Rowan, 71
STENGEL, DAVE (D-Louisville) Jefferson, 29
STUMBO, GREGORY D. (D-Prestonburg) Floyd, Martin, 95
TODD, THOMAS W. "TOMMY" (R-Nancy) Pulaski, 83
TRAPP, LESLIE (D-Lexington) Fayette, 78
TURNER, RICHARD A. (R-Tompkinsville) Allen, Monroe, Simpson, 22
WALTON, CHARLIE (R-Florence) Boone, Kenton, 66
WARD, MIKE (D-Louisville) Jefferson, 34
WAYNE, JIM (D-Louisville) Jefferson, 35
WORTHINGTON, PETE (D-Ewing) Bracken, Fleming, Mason, Robertson, 70
YATES, JAMES BERNARD (D-Shively) Jefferson, 44
ZIMMERMAN, JAMES F. (R-LaGrange) Oldham, Trimble, 59

APPENDIX

ROLL CALLS

HB 1 (Feb 9) **Yeas** 86-J. Ackerson, R. Adams, R. Adkins, A. Arnold, E. Ballard, J. Barrows, R. Bentley, D. Blandford, M. Bowling, M. Brown, J. Bruce, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, H. Deskins, B. Donnermeyer, D. Farley, M. Farrow, D. Ford, R. Fox, K. French, D. Gedling, W. Gee, C. Geveden, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, P. Hatcher Jr., B. Heleringer, T. Jensen, L. Johnson, S. Keith, T. Kerr, B. Lear, J. Lee, R. Lewis, G. Lindsay, C. Little, M. Long, J. Maggard, P. Mason, S. McElroy, H. Moberly, R. Morris, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, J. Richards, D. Ridley, S. Riggs, E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, R. Smith, T. Smith, J. Stacy, D. Stengel, G. Stumbo, L. Trapp, R. Turner, M. Ward, J. Wayne, J. Yates, J. Zimmerman. **Nays** 9-W. Allen, R. Altman, J. Buis, B. Lile, T. Riner, R. Sanders, Jr., T. Todd, C. Walton, P. Worthington. **Pass** 0.

HB 1 (Feb 15) **Yeas** 80-J. Ackerson, R. Adams, R. Adkins, A. Arnold, E. Ballard, J. Barrows, R. Bentley, D. Blandford, M. Bowling, M. Brown, J. Bruce, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, H. Deskins, B. Donnermeyer, D. Farley, M. Farrow, D. Ford, R. Fox, K. French, D. Gedling, C. Geveden, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, P. Hatcher Jr., B. Heleringer, D. Hourigan, T. Jensen, L. Johnson, S. Keith, T. Kerr, B. Lear, J. Lee, R. Lewis, G. Lindsay, C. Little, M. Long, J. Lyne, J. Maggard, P. Mason, S. McElroy, H. Moberly, R. Morris, C. Nelson, F. Nesler, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Richards, S. Riggs, E. Scorsone, D. Shacklette, B. Smith, T. Smith, J. Stacy, D. Stengel, G. Stumbo, L. Trapp, M. Ward, J. Wayne, J. Yates. **Nays** 16-W. Allen, R. Altman, J. Bryant, J. Buis, W. Gee, B. Lile, R. Mullinix, L. Napier, J. Reinhardt, T. Riner, R. Sanders, Jr., T. Todd, R. Turner, C. Walton, P. Worthington, J. Zimmerman. **Pass** 0.

HB 2 (Feb 4) **Yeas** 92-J. Ackerson, R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, J. Barrows, R. Bentley, D. Blandford, M. Bowling, M. Brown, J. Bruce, J. Bryant, J. Buis, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, R. Cyrus, R. Damron, B. DeWeese, H. Deskins, D. Farley, M. Farrow, D. Ford, R. Fox, K. French, W. Gee, C. Geveden, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, P. Hatcher Jr., D. Hourigan, T. Jensen, L. Johnson, S. Keith, T. Kerr, J. LeMaster, B. Lear, J. Lee, R. Lewis, B. Lile, G. Lindsay, C. Little, M. Long, J. Lyne, J. Maggard, P. Mason, S. McElroy, R. Morris, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Richards, T. Riner, R. Sanders, Jr., E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, R. Smith, T. Smith, J. Stacy, D. Stengel, G. Stumbo, T. Todd, L. Trapp, R. Turner, C. Walton, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 0. **Pass** 0.

HCR 11 (Feb 8) **Yeas** 90-J. Ackerson, R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, J. Barrows, R. Bentley, D. Blandford, M. Bowling, M. Brown, J. Bruce, J. Bryant, J. Buis, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, B. Donnermeyer, D. Farley, M. Farrow, D. Ford, R. Fox, K. French, D. Gedling, W. Gee, C. Geveden, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, B. Heleringer, D. Hourigan, L. Johnson, T. Kerr, J. LeMaster, B. Lear, J. Lee, R. Lewis, B. Lile, G. Lindsay, C. Little, M. Long, J. Maggard, P. Mason, S. McElroy, H. Moberly, R. Morris, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, J. Richards, S. Riggs, T. Riner, R. Sanders, Jr., E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, R. Smith, J. Stacy, G. Stumbo, T. Todd, L. Trapp, R. Turner, C. Walton, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 0. **Pass** 0.

HR 16 (Feb 5) **Yeas** 80-R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, J. Barrows, R. Bentley, M. Bowling, M. Brown, J. Bruce, J. Bryant, J. Buis, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, R. Cyrus, R. Damron, B. DeWeese, D. Farley, M. Farrow, D. Ford, R. Fox, K. French, W. Gee, C. Geveden, D. Graham, L. Gray, J. Harper, K. Harper, P. Hatcher Jr., D. Hourigan, L. Johnson, S. Keith, T. Kerr, J. Lee, R. Lewis, B. Lile, M. Long, J. Maggard, P. Mason, S. McElroy, H. Moberly, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, S. Riggs, T. Riner, R. Sanders, Jr., E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, J. Stacy, D. Stengel, G. Stumbo, T. Todd, L. Trapp, R. Turner, C. Walton, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 1-B. Donnermeyer. **Pass** 0.

SB 7 (Feb 12) **Yeas** 99-J. Ackerson, R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, J. Barrows, R. Bentley, D. Blandford, M. Bowling, M. Brown, J. Bruce, J. Bryant, J. Buis, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, H. Deskins, B. Donnermeyer, D. Farley, M. Farrow, D. Ford, R. Fox,

K. French, D. Gedling, W. Gee, C. Geveden, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, P. Hatcher Jr., B. Heleringer, D. Hourigan, T. Jensen, L. Johnson, S. Keith, T. Kerr, J. LeMaster, B. Lear, J. Lee, R. Lewis, B. Lile, G. Lindsay, C. Little, M. Long, J. Maggard, P. Mason, S. McElroy, H. Moberly, R. Morris, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, J. Richards, D. Ridley, S. Riggs, T. Riner, R. Sanders, Jr., E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, R. Smith, T. Smith, J. Stacy, D. Stengel, G. Stumbo, T. Todd, L. Trapp, R. Turner, C. Walton, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 0. **Pass** 0.

SB 7 (Feb 16) **Yeas** 99-J. Ackerson, R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, J. Barrows, R. Bentley, D. Blandford, M. Bowling, M. Brown, J. Bruce, J. Bryant, J. Buis, T. Burch, D. Butler, J. Callahan, S. Cave, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, H. Deskins, B. Donnermeyer, D. Farley, M. Farrow, D. Ford, R. Fox, K. French, D. Gedling, W. Gee, C. Geveden, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, P. Hatcher Jr., B. Heleringer, D. Hourigan, T. Jensen, L. Johnson, S. Keith, T. Kerr, J. LeMaster, B. Lear, J. Lee, R. Lewis, B. Lile, G. Lindsay, C. Little, M. Long, J. Lyne, J. Maggard, P. Mason, S. McElroy, H. Moberly, R. Morris, R. Mullinix, L. Napier, C. Nelson, F. Nesler, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, J. Richards, D. Ridley, S. Riggs, T. Riner, R. Sanders, Jr., E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, T. Smith, J. Stacy, D. Stengel, G. Stumbo, T. Todd, L. Trapp, R. Turner, C. Walton, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 0. **Pass** 0.

HISTORY OF HOUSE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading. Sponsors are indicated on the page of introduction.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Introduced	Referred	Reported	Readings			Sub. or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
				1st	2nd	3rd						
HB 1	50	67	69	69	74	138	82, 85, 86, 135, 136, 275	139, 276	197	275	281 (281)	67, 74, 85, 135, 276
HB 2	50	67	69	70	74	79		79	141		196 (197)	67, 74, 75, 133, 196

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)

***Voting modifications appear at the member's name in the subject index.**

Res. No.	Intro-duced	Re-ferred	Re-ported	Readings			Sub. or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
				1st	2nd	3rd						
HR 1	50							67				
HR 2	50							67				
HR 3	68							69				
HR 4	67							68				
HR 5	70							71				
HR 6	73							73				73
HCR 7	75	79	87	87				133	197		263 (263)	81
HR 8	75	79										77
HR 9	75							76				
HR 10	75							77				
HCR 11	79	79	88	130				136				83, 85, 131, 137
HR 12	79							82				
HR 13	79							81				
HR 14	79							81				
HR 15	79							80				
HR 16	79							131				
HR 17	85							132				
HR 18	85							133				
HR 19	85							133				
HR 20	138							141				
HR 21	138							140				140
HR 22	144							195				
HR 23	145							192				
HR 24	145							196				
HR 25	145							193				193
HR 26	145							191				191
HR 27	145							194				194
HR 28	143							143				144
HR 29	143							144				144
HR 30	144							144				144
HR 31	145							195				195
HR 32	197							198				
HR 33	197							198				
HR 34	263							269				
HR 35	263							279				
HR 36	263							268				
HR 37	269							269				
HR 38	269							270				
HR 39	273	275										
HR 40	273							273				
HR 41	275							278				
HR 42	281							339				339
HR 43	279							280				
HR 44	281							282				282
HR 45	281							282				282
HR 46	282							283				
HR 47	283							284				
HR 48	339							339				

HISTORY OF SENATE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Senate Message	Re- ferred	Re- ported	Readings 1st	2nd	3rd	Sub. or Amend	Voting*	Concur Activities	En- rolled	Other Action
SB 7	85	85	88	88	135	263	145, 199, 201, 202, 203, 208, 215, 216, 218, 226, 227, 231, 232, 243, 244, 245, 246, 248, 249, 251, 252, 256, 257, 258, 261	267,337	270, 271, 281, 284, 286, 337	340	85, 131, 136, 145, 197, 267, 270

HISTORY OF SENATE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.)

*Voting modifications appear at the member's name in the subject index.

Bill No.	Senate Message	Re-ferred	Re-ported	Readings			Sub. or Amend	Voting*	Concur Activities	En-rolled	Other Action
				1st	2nd	3rd					
SJR 17	144	197									
SCR 34	281							337			

SUBJECT INDEX

ACKERSON, JON
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

ADAMS, ROYCE
HR 6, 21, 25, 26, 27, 28, 29, 30, 31, 42

ADKINS, ROCKY
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 34, 42

AGRICULTURE
Rep. Northup, smoking & alterntives, recognize efforts - HR 45

ALLEN, WILLARD "WOODY"
HR 6, 8, 21, 25, 26, 27, 28, 29, 30, 31

ALTMAN, RAY
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

APPROPRIATIONS
Education Technology Escrow Account, budget revision - HB 1
LRC for 1993 Extraordinary Session - HB 2

ARNOLD, ADRIAN
HR 6, 11, 21, 22, 23, 25, 26, 28, 29, 30, 31, 42

BALLARD, EDDIE
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 40, 42, 45

BARROWS, JOE
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 41, 42, 44
Committee appointment - p. 135

BENTLEY, RUSSELL
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

BLANDFORD, DONALD J.
HR 6, 11, 25, 26, 27, 28, 29, 30, 31

BOWLING, MIKE
HR 6, 11, 14, 16, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

BROWN, MARK
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

BRUCE, JAMES
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 45

BRYANT, JO ELIZABETH
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

BUDGET AND FINANCIAL ADMINISTRATION
LRC appropriation for 1993 Extraordinary Session - HB 2

BUIS, JEFFREY
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

BURCH, TOM
HR 6, 18, 25, 26, 27, 28, 29, 30, 31, 39
Voting modification - p. 137 - HCR 11Y

BUTLER, DENVER
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42

CALLAHAN, JIM
HR 6, 11, 21, 25, 26, 27, 28, 29, 30 31, 42, 45

CAMPAIGN PRACTICES
Contribution limitations & reporting requirements - SB 7

CAVE, STAN
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

CHILDREN AND MINORS
Foster parents, adjourn in honor of - HR 31

CITIES, FIRST CLASS
GE, agreement to save jobs - HR 18

CITIES, GENERALLY
Ethics Code Task Force, create - HCR 11; SJR 17

CLARK, LARRY
HB 1, 2; HR 1, 2, 6, 11, 18, 25, 26, 27, 28, 29, 30, 31, 42, 45

CLARK, PAUL
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42

CLARKE, JOE
HB 1, 2; HR 1, 2, 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 35, 42

COLEMAN, JACK
HR 6, 11, 12, 21, 25, 26, 27, 28, 29, 30, 31, 35, 42, 45

COLLINS, HUBERT
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 45

COMMENDATIONS AND RECOGNITIONS
Black History Month - HR 17
Bridges, Gailen Wayne III - HR 37
Catholic Schools - HR 3
Cubine, John A. - HR 41
Dilce Combs High School
  Academic Team - HR 30
  Boys' Basketball Team - HR 28
  Boys' Cheerleading Team - HR 29
Elliot, Staff Sergeant William - HR 43
Gabbard, Ralph - HR 32
Garrard County HIgh School Lady Lions - HR 24
Harlan Daily Enterprise - HR 16
Howard, Jason - HR 14
Jones, J. D. "Jimmie" - HR 38

COMMENDATIONS AND RECOGNITIONS (cont'd)
Lusby, Joe - HR 33
Natcher, William Huston - HR 21
National Vocational Education Week - HR 46
Nicholas County High School Lady Jackets - HR 22
Northup, Representative Anne - HR 45
Oakview Elementary School, Mrs. Duncan's Fifth Grade Class - HR 34
Peavyhouse, William Wesley - HR 23
Roberts, Monty - HR 5
Schnoes, Paul J. - HR 47
St. Xavier Football Team - HR 6
Tartan, Commonwealth - HR 15
Tribble, Charles - HR 9
Ward, Henry - HCR 7

COMMITTEES
State Government, News Media ethics, study of - HR 39

CONFLICT OF INTEREST
Code of Ethics, legislative branch - SB 7
Local Government Ethics Code Task Force - HCR 11

COUNTIES, GENERALLY
Code of Ethics, create Task Force - HCR 11; SJR 17

COUNTIES WITH CITIES OF FIRST CLASS
GE, agreement to save jobs - HR 18

CRENSHAW, JESSE
HR 6, 11, 13, 17, 21, 25, 26, 27, 28, 29, 30, 42, 45

CURD, FREED
HR 6, 7, 11, 21, 25, 26, 27, 28, 29, 30, 42, 45

CYRUS, RON
HR 6, 11, 20, 21, 26, 27, 28, 29, 30, 31, 39, 42, 45

DAMRON, ROBERT
HR 6, 11, 21, 24, 25, 26, 27, 28, 29, 30, 31, 42

DESKINS, HERBIE
HR 39, 45

DEWEESE, BOB
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

DONNERMEYER, BILL
HR 11, 21, 25, 26, 27, 28, 29, 30, 31, 42
Voting modification - p. 133 - HB 2Y; p. 270 - HFA(23) to HCS to SB 7, Y to N

ECONOMIC DEVELOPMENT
GE, agreement to save jobs - HR 18

EDUCATION, ELEMENTARY & SECONDARY
Education Technology Escrow Account, budget revision - HB 1

EFFECTIVE DATES, EMERGENCY
Code of Ethics, legislative branch - SB 7

FARLEY, DON
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 34, 42, 45

FARROW, MARK
HR 6, 9, 11, 21, 25, 26, 27, 28, 29, 30, 31, 33, 42

FORD, DANNY
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 42

FOX, RICK
HR 6, 11, 16, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

FRENCH, KENNY
HR 5, 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

GEDLING, DONNIE
HR 6, 21, 25, 26, 27, 28, 29, 30, 31, 42

GEE, WALTER
HR 6, 8, 21, 25, 26, 27, 28, 29, 30, 31, 42

GENERAL ASSEMBLY
Adjournment, 1993 Extraordinary Session - SCR 34
Appropriation to LRC for session expenses - HB 2
Code of Ethics & financial disclosure - SB 7
House Rules, adoption - HR 1
Invitation to pastors to open sessions - HR 2
Issuance of Proclamation to convene 1st 1993 special session - p. 49
Local Government Ethics Task Force - HCR 11

GEVEDEN, CHARLES
HR 6, 7, 11, 19, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

GOVERNOR
Issuance of Proclamation to convene 1st 1993 special session - p. 49

GRAHAM, DREW
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

GRAY, LEONARD
HR 6, 11, 13, 17, 18, 21, 26, 27, 28, 29, 30, 31, 42, 45

HANCOCK, HANK
HR 6, 21, 25, 26, 27, 28, 29, 30, 31, 36, 42

HARPER, JOHN
HR 6, 8, 11, 15, 21, 25, 26, 27, 28, 29, 30, 31

HARPER, KEN
HR 6, 11, 21, 25, 26, 27, 31, 42

HATCHER, PORTER
HR 6, 13, 17, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

HELERINGER, BOB
HR 3, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

HIGHWAYS, STREETS & BRIDGES
I-24 Bridge, McCracken County, name after Henry Ward - HCR 7

HOURIGAN, DAVE
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31

JENSEN, TOM
HR 6, 8, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

JOHNSON, LOUIS
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 45

KEITH, STEPHEN
HR 11, 21, 25, 26, 27, 28, 29, 30, 31, 45

KERR, TOM
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 37, 42

LEMASTER, JIM
HR 6, 11, 21, 22, 25, 26, 27, 28, 29, 30, 31, 42

LEAR, BILL
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

LEE, JIMMIE
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

LEGISLATIVE CITATIONS
Fulton County Boys' Varsity Basketball Team - LC 2 - p. 141
Ladd, Elsie M. - LC 1 - p. 77
Oakview Elementary School, fifth grade class - LC 3 - p. 195

LEGISLATIVE RESEARCH COMMISSION
Local Government Ethics Task Force, create - SJR 17

LEWIS, RICHARD
HR 6, 7, 25, 26, 27, 28, 29, 30, 31, 38, 42, 45

LIEUTENANT GOVERNOR
GE, agreement to save jobs - HR 18

LILE, BILL
HR 6, 10, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

LINDSAY, GROSS
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

LITTLE, CLAYTON
HR 6, 11, 21, 42, 45

LOCAL GOVERNMENT
Code of Ethics Task Force, create - HCR 11; SJR 17
GE, agreement to save jobs - HR 18

LONG, MARSHALL
HB 1; HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 43, 45

LYNE, JUNE
HR 6, 8, 42
Committee appointment - p. 135

MAGGARD, JIM
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42
Voting modification - p. 270 - HFA(33) to HCS to SB 7N

MASON, PAUL
HR 6, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

MCELROY, SAM
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 39, 42

MEMORIALS
Bryant, King Pharaoh "Buddy" - HR 48
Carter, Margaret Corman - HR 44
Christ, Jesus - HR 42
Hinton, James "Butch" - HR 20
Kephart, F. W. "Bill" - HR 12
Ladt, Max Albert - HR 4
Marshall, U.S. Supreme Ct. Justice Thurgood - HR 13
Roehrig, Joe A. - HR 36
Rosenberger, Plenge Neb - HR 10
Smith, Francine Nicole - HR 26
Tipton, Judge Woodard C., Jr. - HR 19
Wade, Patricia Dawson - HR 27
Wickliffe, W. A. "Pete" - HR 35
Worthington, Michael Lee "Mickey" - HR 25

MEN
Foster parents - adjourn in honor of - HR 31

MILITARY AFFAIRS & CIVIL DEFENSE
Gays, oppose military service - HR 8

MOBERLY, HARRY
HR 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

MORRIS, RAMSEY
HR 6, 11, 21, 25, 26, 27, 39, 42

MULLINIX, RAY
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

NAPIER, LONNIE
HR 6, 8, 21, 24, 25, 26, 27, 28, 29, 30, 31, 42

NELSON, CHARLES "PREACHER"
HR 6, 8, 11, 25, 25, 26, 27, 28, 29, 30, 31, 45

NESLER, FRED
HR 6, 7, 11, 21, 25, 27, 28, 29, 30, 31, 42

NEWS MEDIA
News Council & Media Ethics Center, study - HR 39

NOLAND, CLARENCE
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 42

NORTHUP, ANNE
HR 6, 18, 25, 26, 27, 28, 29, 30, 42

NUNN, STEPHEN
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

PALUMBO, RUTH ANN
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 32, 42, 45

PEARMAN, VIRGIL
HR 6, 11, 21, 25, 26, 27, 31, 42, 45

PUBLIC ETHICS
Code of Ethics, legislative branch - SB 7

PUBLIC OFFICERS & EMPLOYEES
Code of Ethics, legislative branch - SB 7

RAPIER, KENNY
HB 1, 2; HR 1, 2, 6, 21, 25, 26, 27, 28, 29, 30, 31, 42

RASCHE, FRANK
HR 4, 6, 7, 11, 25, 26, 27, 28, 29, 30, 31, 42, 45

REINHARDT, JON DAVID
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

RICHARDS, JODY
HB 2; HR 1, 2, 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

RIDLEY, DORSEY
HR 21, 38, 42

RIGGS, STEVE
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

RINER, TOM
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 42

SANDERS, RICHIE
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

SCORSONE, ERNESTO
HR 4, 11, 25, 26, 27, 28, 29, 30, 45

SHACKLETTE, DONNA
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

SHEEHAN, MARTIN
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

SMITH, BILLY RAY
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45, 47

SMITH, REX
HR 11

SMITH, TOM O'DELL
HR 6, 21, 27, 28, 29, 30, 31, 45

SPECIAL DISTRICTS
Code of Ethics Task Force, create - SJR 17

STACY, JOHN WILL
HR 6, 25, 26, 27, 28, 29, 30, 31, 42, 46

STATE AGENCIES
Lobbyists, Executive Branch, regulate - SB 7

STENGEL, DAVE
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

STUDIES DIRECTED
Local Gov't Ethics Code Task Force - HCR 11; SJR 17
News Council & Media Ethics Center - HR 39

STUMBO, GREG
HB 1, 2; HR 1, 2, 6, 11, 21, 25, 27, 28, 29, 30, 31, 42 48
Committee appointment - p. 135

TELEVISION
News Council & Media Ethics Center - HR 39

TOBACCO
Smoking & alternatives, efforts by Rep. Northup, recognize - HR 45

TODD, TOMMY
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45
Committee appointment - p. 135

TRANSPORTATION
I-24, McCracken Co., name after Henry Ward - HCR 7

TRAPP, LESLIE
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42

TURNER, RICHARD
HR 6, 8, 11, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

UNITED STATES
Gays, oppose military service - HR 8

WALTON, CHARLIE
HR 6, 8, 21, 25, 26, 27, 28, 29, 30, 31, 42

WARD, MIKE
HR 6, 11, 15, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

WAYNE, JIM
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42

WOMEN
Foster parents, adjourn in honor of - HR 31

WORTHINGTON, PETE
HR 6, 11, 21, 42
SCA(2) to HB 1, remarks concerning - p. 276

YATES, JIM
HR 6, 11, 18, 21, 25, 26, 27, 28, 29, 30, 31, 42, 45

ZIMMERMAN, JAMES
HR 6, 11, 21, 25, 26, 27, 28, 29, 30, 31, 39, 42, 45

JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

General Assembly

of the

Commonwealth of Kentucky

Second Extraordinary Session of 1993

Held in the State Capitol in the City of Frankfort,
at Frankfort, in the Year of Our Lord 1993,
and in the Two Hundredth and First
Year of the Commonwealth

Begun on the Tenth Day of May, 1993, and Adjourned
Sine Die on the Twenty-Seventh Day of May, 1993.

Paid for from state funds.

FOREWORD

The Kentucky Constitution requires each house of the General Assembly to keep a journal as a public accounting of daily legislative activity. It is the official record of action by the General Assembly.

The *Kentucky Revised Statutes* require the Legislative Research Commission to compare, edit, correct, and publish the journals of each chamber. This is the *House Journal* for the Second Extraordinary Session of 1993.

The complete text of a bill appears when it is reported out of committee and receives a first reading. The roll call vote on passage of a bill appears when it receives a third reading. A roll call vote on concurrence will appear if a bill is amended in the chamber opposite its origin. Joint resolutions are treated as bills, and the texts of simple and concurrent resolutions appear on first reading or adoption. An appendix contains a table of actions on resolutions, as well as roll call votes.

Mrs. Jean Wallace and Mrs. Wilda Bond prepared the *House Journal* for the Second Extraordinary Session of 1993. The edited copy, subject index, and appendix in this volume reflect the cooperative efforts of the LRC.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1993

JOURNAL
# of the
HOUSE OF REPRESENTATIVES
# of the
GENERAL ASSEMBLY
# of the
COMMONWEALTH OF KENTUCKY

SECOND EXTRAORDINARY SESSION OF 1993

MONDAY, MAY 10, 1993

FIRST LEGISLATIVE DAY

At an Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol City of Frankfort, and begun on May 10, 1993, the two hundredth and first year of the Commonwealth, in compliance with a Proclamation issued by the Governor of the Commonwealth of Kentucky, the Honorable Brereton C. Jones, the House of Representatives was called to order by the Honorable Joe Clarke, Speaker of the House of Representatives.

Prayer by Reverend Bill Jennings, First United Methodist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The Speaker announced that the Journal would reflect that the membership of the House of Representatives remains the same as the First Extraordinary Session with the exception of Representatives T. Smith and Blandford due to their resignations.

The roll was called. All members present except Representatives Butler and McElroy.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

The Clerk read the following Proclamation:

To All To Whom These Presents Shall Come:

WHEREAS, the general welfare and material well-being of citizens of the Commonwealth depend upon the ability of its citizens to have access to adequate health care services without regard to their ability to pay for such services; and

WHEREAS, the fiscal stability of the Commonwealth cannot be maintained while many Kentuckians remain uninsured for their health care needs and while the cost of health care continues to increase unreasonably; and

WHEREAS, it is in the best interest of the Commonwealth:

(a) that every citizen of the Commonwealth have affordable health care;

(b) that the Commonwealth has an obligation to assist its citizens with insufficient resources in securing access to health care;

(c) that all other adult citizens have an obligation to maintain a level of protection to pay for health care for themselves and their dependents;

(d) that Kentucky's health care delivery system be restructured to emphasize primary care services, preventive and managed care principles, and efficient delivery networks; and

(e) that because of the increasing costs of health care, there is a need to establish an authority to regulate and control these costs.

NOW, THEREFORE, pursuant to the power vested in me by Section 80 of the Constitution of the Commonwealth of Kentucky, I, Brereton C. Jones, Governor of the Commonwealth of Kentucky, do issue this, my proclamation convening the Kentucky General Assembly in Extraordinary Session at the Seat of Government, Frankfort, Kentucky, at 12:00 Noon (EDST), Monday, May 10, 1993, for the sole purpose of considering the following subjects:

(1) The findings of the Task Force on Health Care Assess and Affordability (the "Task Force") relating to the reform of Kentucky's health care delivery and financing systems, including without limitation the records of public forums held by the Task Force across the Commonwealth;

(2) The work of the Health Care Reform Commission (the "Commission") relating to the reform of Kentucky's health care delivery and financing systems, including without limitation the records of proceedings before the Commission; and

(3) Enactment of legislation reforming Kentucky's health care delivery and financing systems, including without limitation the following:

(a) Creating a state government agency to oversee Kentucky's health care delivery and financing systems and to control the rise of costs for medical services and health insurance;

(b) Developing health care benefit plans for all Kentuckians, including low income Kentuckians, in order to focus on managed care principles and preventive care;

(c) Providing health care coverage for all Kentuckians;

(d) Developing flexible and efficient health care delivery systems and purchasing cooperatives;

(e) Reforming the health insurance system in Kentucky (including the health insurance components of workers' compensation insurance and automobile insurance);

(f) Improving Kentucky's long-term care system;

(g) Developing plans to collect health data, to develop practice guidelines and outcome measures for providers, and to reform the legal system relating to medical malpractice;

(h) Restructuring the health care financing system, including the state medicaid program, and providing the means to fund reforms enacted;

(i) Developing health education programs and programs to encourage family practice, including restructuring the way in which Kentucky educates and trains physicians;

(j) Reforming the mental health system relating to the incarceration of the mentally ill;

(k) Mandating the use of seat belts by passengers in motor vehicles; and

(l) Making such other reforms as are needed to improve the health care delivery and financing systems in Kentucky.

DONE AT THE CAPITOL, in the City of
Frankfort, this the 27th day of April, in
the year of our Lord One Thousand Nine
Hundred and Ninety-three and in the year of
the Commonwealth the Two Hundred and First.

s/Brereton C. Jones
Governor

s/Bob Babbage
Secretary of State

Introduction of Bills and Resolutions

HB 1, by Representative Long: AN ACT relating to taxation and declaring an emergency.

HB 2, by Representative Long: AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Second Extraordinary Session of 1993 of the General Assembly, and declaring an emergency.

HB 3, by Representative Long: AN ACT relating to public assistance and medical assistance.

HB 4, by Representatives Stumbo, Cyrus, Mason, Donnermeyer, Ward, Crenshaw, Nunn, Geveden, Burch and Yates: AN ACT relating to health and safety, providing for revenues to finance health care, making appropriations therefor and declaring an emergency.

HB 5, by Representatives Scorsone, Burch and Long: AN ACT relating to health care services.

HR 1, by Representatives Clarke, Rapier, Richards, Stumbo and L. Clark: A RESOLUTION adopting Rules to govern the 1993 Second Extraordinary Session of the House of Representatives.

HR 2, by Representatives Clarke, Stumbo, L. Clark, Rapier and Richards: A RESOLUTION extending an invitation to the pastors of the Frankfort Churches to open sessions of the 1993 Second Extraordinary Session of the House of Representatives with prayer.

HR 3, by Representatives Clarke, L. Clark, Richards, Rapier and Stumbo: A RESOLUTION directing appointment of a committee to wait upon the Governor.

Representative Stumbo moved that the rules be suspended to act upon **HR 1**, **HR 2** and **HR 3**. Agreed.

Representative Stumbo moved the adoption of the following **HR 1**:

HR 1, A RESOLUTION adopting Rules to govern the 1993 Second Extraordinary Session of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Rules adopted to govern the 1993 First Extraordinary Session of the House of Representatives be adopted as the Rules governing the 1993 Second Extraordinary Session of the House of Representatives.

HR 1 was adopted by voice vote.

Representative Stumbo moved the adoption of the following **HR 2**:

HR 2, A RESOLUTION extending an invitation to the pastors of the Frankfort Churches to open sessions of the 1993 Second Extraordinary Session of the House of Representatives with prayer.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant-at-Arms be directed to invite the pastors of the various churches of Frankfort to attend the meetings of the House of Representatives and open the sessions thereof with prayer.

HR 2 was adopted by voice vote.

Representative Stumbo moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION directing appointment of a committee to wait upon the Governor.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

That the Speaker appoint a committee of this House to join a like committee from the Senate to wait upon the Governor and inform him that the General Assembly is prepared to receive any message he may care to deliver.

HR 3 was adopted by voice vote.

The Speaker announced that the House stand ease for a Committee on Committees meeting in the Speaker's Office.

Speaker Clarke resumed the Chair.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bills:

Appropriations and Revenue: **HB 1, HB 2, HB 3**

Health and Welfare: **HB 4**

Representative Stumbo moved that the rules be suspended to allow the Committee on Appropriations and Revenue to report bills for first reading with the understanding that the bills will be sent back to the Committee tomorrow. Agreed.

Recess

Representative Stumbo moved that the House recess for five minutes to allow the Committee on Appropriations and Revenue to meet in the Speaker's Office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Posting of Bills and Resolutions for Consideration

The Clerk announced that the following Bills have been posted for committee consideration:

Appropriations and Revenue: **HB 1, HB 2, HB 3**

Health and Welfare: **HB 4**

Report of Committees

The Committee on Appropriations and Revenue reported **HB 1** and **HB 2** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 1, AN ACT relating to taxation and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 18 of this Act:

(1) "Cabinet" means the Cabinet for Human Resources;

(2) "Health care items or services" means items or services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation;

(3) "Health maintenance organization" or "HMO" means an organization established and operated pursuant to the provisions of Subtitle 38 of KRS Chapter 304;

(4) "Hospital" means an acute care hospital licensed under KRS Chapter 216B;

(5) "Medicaid" means the state program of medical assistance as administered by the cabinet in compliance with 42 U.S.C. Sec. 1936;

(6) The terms "inpatient hospital services," "outpatient hospital services," "nursing facility services," "intermediate care facility services for the mentally retarded," "physician services," "home health care services," and "outpatient prescription drugs" have the same meaning as set forth in regulations promulgated by the Secretary of the Department of Health and Human Services pursuant to the authority granted under 42 U.S.C. Sec. 1302.

(7) "Secretary" means the secretary of the Cabinet for Human Resources or that person's authorized representative;

(8) "Provider" means any individual or entity providing health care items or services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation, excluding facilities operated by the federal government;

(9) "Revenue secretary" means the secretary of the Revenue Cabinet or that person's authorized representative; and

(10) "Gross revenues" means the total amount received in money or otherwise by providers for the provision of health care items or services in Kentucky, less the following:

(a) Amounts received by any provider as an employee or independent contractor from another provider for the provision of health care items or services on behalf of the paying provider if:

1. The paying provider receives revenue attributable to health care items or services provided by the employee or independent contractor receiving payment; and

2. The paying provider is subject to the tax imposed by Section 2 or 3 of this Act on the receipt of such revenue; and

(b) Amounts received as a grant or donation by any provider from federal, state, or local government or from an organization recognized as exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code for research or for administrative or operating costs associated with the implementation and operation of an experimental program.

SECTION 2. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed on all hospitals providing health care items or services at a rate of two and one-half percent (2.5%) of the gross revenues received on or after July 1, 1993, for the provision of health care items or services.

SECTION 3. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed on the gross revenues received on or after July 1, 1993, for the provision of nursing facility services, intermediate care facility services for the mentally retarded, physician services, home health care services, the sale of outpatient prescription drugs, health maintenance organization services, and the provision of any other specific health care items or services that federal legislation or regulation permits the state to tax, and which the Secretary includes through the issuance of an administrative regulation promulgated pursuant to the authority granted in Section 5 of this Act, at a rate of two percent (2%) of the gross revenues received by each provider for the provision of health care items or services.

SECTION 4. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

The taxes imposed by Sections 2 and 3 of this Act shall not be passed on by the provider to the recipient of the taxable items or services.

SECTION 5. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions establishing rates set forth in Sections 2 and 3 of this Act, it is the intent of the General Assembly to take full advantage of all federal funds that may be available to provide medical assistance to the citizens of the Commonwealth. To insure that the opportunities of the Commonwealth in this regard are maximized, the secretary shall have the authority to make the following adjustments to the tax rates imposed under Sections 2 and 3 of this Act:

(a) During any period that federal legislation or regulation causes a reduction of federal financial participation in the state's medicaid program if state revenues from provider donations or taxes exceed a specified level, the secretary shall review, at the close of each fiscal quarter, the rate of taxation and revenue generated by the taxes imposed under Sections 2 and 3 of this Act. The secretary shall proportionally reduce the rates set forth in Sections 2 and 3 of this Act, or the rates in effect, as the case may be, if a reduction is necessary to maintain full federal financial participation in the state's medicaid program. If the rates set forth in Sections 2 and 3 of this Act, or the rates in effect, as the case may be, are less than the rates necessary to generate sufficient funds to maximize the federal financial participation in the state's medical assistance program, the secretary shall proportionally increase the rates set forth in Sections 2 and 3 of this Act, or in effect, as the case may be, up to a maximum of six percent (6%) of gross revenues. Any rate change made pursuant to this subsection shall be effective for the fiscal quarter following the fiscal quarter in which the rate change is announced, as provided in Section 15 of this Act. Notification of any rate change shall be made pursuant to the provisions of Section 15 of this Act.

(b) During any period that there is no federal cap imposed on the amount that may be generated through the imposition of a provider tax, the rates established in Sections 2 and 3 of this Act shall apply, and the secretary shall have no authority to adjust the rates.

(2) It is the intent of the General Assembly that the taxes imposed by Sections 2 and 3 of this Act apply to all health care items and services permitted to be taxed under federal law. Therefore, if, subsequent to the enactment of Sections 1 to 18 of this Act, the federal government, through legislation or regulation, includes additional health care items or services among those that may be taxed, the secretary shall, by administrative regulation, include the added items or services to the list of items or services subject to the tax imposed under Section 3 of this Act. If, subsequent to the enactment of Sections 1 to 18 of this Act, the federal government removes health care items or services from the list of items or services that may be taxed, the secretary shall, by administrative regulation, remove those same items or services from the list of items or services subject to the tax imposed under Section 2 or 3 of this Act. Any health care items or services included by the secretary shall be subject to taxation in the same manner as the items and services specifically listed in Section 3 of this Act. Any health care items or services included by the secretary shall first be subject to taxation in the fiscal quarter following the quarter in which the administrative regulation adding the items or services becomes final.

SECTION 6. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Every provider subject to the taxes imposed by Section 2 or 3 of this Act at the time of enactment shall, on or before July 1, 1993, file an application for a certificate of registration with the Revenue Cabinet. Every provider subject to taxation pursuant to an administrative regulation promulgated by the secretary shall file an application for a certificate of registration with the Revenue Cabinet within thirty (30) days of the date the administrative regulation becomes final. Every provider seeking to provide health care items or services in Kentucky for the first time after the effective date of Sections 1 to 18 of this Act shall, prior to providing such items or services, file an application for a certificate of registration with the Revenue Cabinet. The application shall be in the form prescribed by the Revenue Cabinet. The application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner; in the case of a corporation, by an executive officer or some person specifically authorized by the corporation to sign the application.

SECTION 7. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

The taxes imposed by Sections 2 and 3 of this Act are due and payable to the Revenue Cabinet monthly and shall be remitted on or before the twentieth day of the next succeeding calendar month.

SECTION 8. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) On or before the twentieth day of the month following each calendar month, a return for the preceding month shall be filed with the Revenue Cabinet in the form prescribed by the Revenue Cabinet.

(2) A return shall be filed by every provider. The return shall be signed by the person required to file the return or a duly authorized agent.

(3) The return shall show the gross revenues of the provider during the preceding reporting period. The return shall also show the amount of taxes for the period covered by the return and other information as the Revenue Cabinet and secretary deem necessary for the proper administration of Sections 1 to 18 this Act.

(4) The person required to file the return shall deliver the return, together with a remittance of the amount of the tax due to the Revenue Cabinet.

(5) For the purpose of facilitating the administration, payment or collection of the taxes levied by Sections 2 and 3 of this Act, the Revenue Cabinet may, by administrative regulation, permit or require returns to be filed or tax payments to be made other than as specifically required by Sections 1 to 18 of this Act, except the Revenue Cabinet shall not require or permit returns or payments to be filed or remitted more frequently than monthly, or less frequently than quarterly.

SECTION 9. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) The Revenue Cabinet shall, upon written request received on or prior to the due date of the return or tax, for good cause satisfactory to the Revenue Cabinet, extend the time for filing the return or paying the tax for a period not to exceed thirty (30) days.

(2) Any person for which the extension is granted shall pay, in addition to the tax, interest at the tax interest rate as defined in KRS 131.010(6) from the date on which the tax would otherwise have been due.

SECTION 10. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) As soon as practicable after each return is received, the Revenue Cabinet shall examine it. If the amount of tax computed by the Revenue Cabinet is greater than the amount returned by the taxpayer, the excess shall be assessed by the Revenue Cabinet within four (4) years from the later of the date the return was filed or due, except that in the case of a failure to file a return or a fraudulent return, the excess may be assessed at any time. A notice of assessment shall be mailed to the provider. The provider and the Revenue Cabinet may agree to extend this time period.

(2) Any provider aggrieved by an action of the Revenue Cabinet may request a review and shall have the rights of appeal as set forth in KRS Chapter 131.

(3) Notwithstanding the four (4) year time limitation set forth is subsection (1), in the case of a return where the taxpayer understates gross revenues by twenty-five percent (25%) or more, the excess shall be assessed by the Revenue Cabinet within six (6) years from the later of the date the return is due or filed.

SECTION 11. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In making a determination of tax liability the Revenue Cabinet may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on the underpayments.

SECTION 12. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Every provider shall keep records, receipts, invoices, and other pertinent papers in the form as the Revenue Cabinet may require.

(2) Every provider who files the returns required under Section 8 of this Act shall keep records for not less than six (6) years from the making of records unless the Revenue Cabinet in writing authorizes their destruction at an earlier date.

SECTION 13. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In every case, any tax not paid on or before the due date shall bear interest at the tax interest rate as defined in KRS 131.010(6) from the date due until the date of payment.

SECTION 14. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(a) Except where the secretary has been granted specific authority in Sections 1 to 18 of this Act, the Revenue Cabinet shall administer the provisions of Sections 1 to 18 of this Act and shall have all of the powers, rights, duties and authority with respect to the assessment, collection, refunding, and administration of the taxes levied by Sections 2 and 3 of this Act, conferred generally by the Kentucky Revised Statutes including Chapters 131, 134 and 135.

(b) The Cabinet shall be responsible for compliance with all federal reporting requirements regarding the taxes imposed by Sections 2 and 3 of this Act.

SECTION 15. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) A report of revenue receipts from the taxes imposed by Sections 2 and 3 of this Act shall be provided on a quarterly basis by the Revenue Cabinet to the secretary on or before the fifteenth day of the second month following the close of each fiscal quarter.

(2) The secretary shall notify the Revenue Cabinet of any rate change no later than the close of the second month following the close of each fiscal quarter.

(3) All providers affected by a rate change shall be notified of the rate change in writing by the Revenue Cabinet. The Revenue Cabinet shall mail notification to affected providers at the address appearing on the most recent return filed by the provider within fifteen (15) days of receipt of notification of the rate change from the secretary.

(4) The secretary shall notify the Revenue Cabinet upon the promulgation of any administrative regulation including or excluding health care items or services from the group of items and services subject to taxation pursuant to Section 2 or 3 of this Act.

(5) It is the responsibility of each provider, subject to tax under Sections 2 and 3 of this Act, including providers included after the enactment of Sections 1 to 18 of this Act pursuant to an administrative regulation, to register with the Revenue Cabinet, and comply with the tax and reporting provisions of Sections 1 to 18 of this Act.

SECTION 16. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Any provider charged with the filing of returns and payment of the tax imposed by Sections 1 to 18 of this Act may be required to post a cash or corporate surety bond in an amount to be determined by the Revenue Cabinet.

(2) The Commonwealth may bring an action for a restraining order, or a temporary or permanent injunction to restrain or enjoin the operation of a provider's business until the bond is posted. The action may be brought in the Franklin Circuit Court or in the Circuit Court having jurisdiction over the provider.

SECTION 17. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provisions of Sections 1 to 18 of this Act, the president, vice president, secretary, treasurer, or any other person holding any equivalent corporate office of any corporation subject to the provisions of Sections 1 to 18 of this Act shall be personally and individually liable jointly and severally, for the taxes imposed under Sections 2 and 3 of this Act. Neither the corporate dissolution or withdrawal for the corporation from the state nor the cessation of holding any corporate office shall discharge the liability imposed by this section. The personal and individual liability shall apply to each and every person holding a corporate office at the time the taxes become or became due. No person will be personally and individually liable pursuant to this section if that person did not have authority in the management of the business or financial affairs of the corporation at the time the taxes imposed by Sections 2 and 3 of this Act become or became due. "Taxes" as used in this section shall include interest accrued at the rate provided by KRS 131.010(6) and all applicable penalties and fees imposed under the provisions of Sections 1 to 18 of this Act and KRS 131.180 and 131.990.

SECTION 18. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Penalties shall be imposed and assessed in accordance with the provisions of KRS 131.180.

Section 19. 1992 Kentucky Acts Chapter 462, Part I, Section G, at page 1981, is amended to read as follows:

G. HUMAN RESOURCES

52. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

	1992-93	1993-94
General Fund	40,927,500	41,501,900
Restricted Funds	13,754,800	13,524,700
Federal Funds	82,165,200	82,890,100
Total	136,847,500	137,916,700

The Department for Social Insurance shall reimburse citizen members of the Public Assistance Appeals Board an amount not to exceed $75 per day plus travel expenses.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy and/or Medicaid Benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance and of the Department for Medicaid Services. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.

2. Expand the services of an existing program.

3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	80,455,700	86,095,400
Restricted Funds	11,568,700	12,622,500
Federal Funds	186,338,700	193,842,900
Total	278,363,100	292,560,800

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Social Insurance Benefits appropriation to the Department for Medicaid Services Benefits appropriation to avoid a projected deficit provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue.

In no instance shall these excess funds be used to:

1. Establish a new program.

2. Expand the services of an existing program.

3. Increase rates or payment levels in an existing program.

Notwithstanding the provisions of KRS 42.560 and KRS 42.570, the amount necessary to supplement federal funds to maintain program levels as appropriated is authorized from the Energy Trust Fund for fiscal year 1992-93 and fiscal year 1993-94 for the LIHEAP and Weatherization programs.

3. Welfare Reform

	1992-93	1993-94
General Fund	15,454,400	17,278,400
Federal Funds	28,249,900	32,203,500
Total	43,704,300	49,481,900

b. Department for Medicaid Services

1. Administration

	1992-93	1993-94
General Fund	15,213,800	15,955,700
Restricted Funds	***3,329,400*** [~~3,391,900~~]	***3,072,900*** [~~3,399,900~~]
Federal Fund	***26,996,000*** [~~27,058,500~~]	***27,754,900*** [~~28,081,900~~]
Total	***45,539,200*** [~~45,664,200~~]	***46,783,500*** [~~47,437,500~~]

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the State Budget Director, may be used for Medicaid Benefits and/or Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Medicaid Services and of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	417,000,000	***680,000,000*** [~~468,100,000~~]
Restricted Funds	202,085,000	***13,985,000*** [~~225,885,000~~]
Federal Funds	1,589,566,400	1,757,392,600
Total	2,208,651,400	2,451,377,600

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Medicaid Services. No portion of the General Fund appropriation may be used for the costs of administration.

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Medicaid Services Benefits appropriation to the Department for Social Insurance Benefits appropriation to avoid a projected deficit, provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the Secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue. In no instance shall these funds be used to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates of payment levels in an existing program.

No funds are included for additional Nursing Facility Medicaid funded beds notwithstanding KRS 205.621(2).

Any hospital which has participated in the HICAP program during the 1990-92 biennium will be required to continue to serve individuals and families with incomes up to 100 percent of the poverty level [~~as provided under KRS 205.575~~].

[~~Notwithstanding the provisions of KRS 205.575 (6) except administrative funding allowance and (7) relating to the distribution of Hospital Indigent Care Assurance Program (HICAP) payments,~~] The distribution of HICAP assessment payments shall be governed by regulations promulgated by the Cabinet for Human Resources designed to make maximum use of available budgetary resources. [~~This language shall not operate to repeal or amend KRS 205.575 (6) and (7).~~]

No hospital may be reimbursed from both the Quality and Charity Care Trust Fund and the Hospital Indigent Care Assurance Program (HICAP)[~~, as established by KRS 205.575,~~] for the same service to the same patient. Any hospital which willfully violates this provision shall be subject to a penalty equal to three times the amount of the improper charge to the funds, which amount shall be credited to the General Fund. The Secretary of the Cabinet for Human Resources shall have the authority to secure such patient information as needed from the participating facilities in order to determine compliance and enforce this provision. Each facility billing and receiving reimbursements from the Quality and Charity Care Trust Fund shall be required to identify each patient by social security number and indicate whether the patient is classified as indigent or medically needy.

Notwithstanding any other provision of this Act or law, in any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement so agree, the General Fund appropriation to fulfill the Commonwealth's contractual obligation relating to the Quality and Charity Care Trust Agreement or any portion thereof, together with any other funds paid to the Quality and Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be transferred to the Department for Medicaid Services as part of its Restricted Fund appropriation for Benefits. In any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of the Trust's revenues to the Department of Medicaid Services for Benefits, the Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

c. Department for Employment Services

1. Employment Services

	1991-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		81,243,200	81,025,400
Total	1,400,000	86,433,700	86,611,800

2. Administration-Unemployment Insurance

	1992-93	1993-94
Federal Funds	20,557,000	21,061,700

3. Benefits-Unemployment Insurance

	1992-93	1993-94
Federal Funds	301,600,000	310,900,000

TOTAL - EMPLOYMENT SERVICES

	1991-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		403,400,200	412,987,100
TOTAL	1,400,000	408,590,700	418,573,500

Notwithstanding KRS 341.835, funds from the Unemployment Insurance Penalty and Interest Account shall be used during fiscal year 1991-92 and the 1992-94 biennium by the Department for Employement Services to operate employment and training programs.

d. Department for Health Services

	1992-93	1993-94
General Fund	45,284,000	45,659,000
Restricted Funds	11,119,500	11,307,700
Federal Funds	97,908,100	101,091,900
Total	154,311,600	158,058,600

Included in the above General Fund appropriation is $257,700 in fiscal year 1993 and fiscal year 1994 to provide toxicology services for the State Medical Examiner's Office.

e. Department for Mental Health/Mental Retardation Services

	1992-93	1993-94
General Fund	117,674,000	124,056,500
Restricted Funds	61,343,800	64,300,500
Federal Funds	20,665,500	21,681,000
Total	199,683,300	210,038,000

Included in the above General Fund appropriation is $5,080,100 in fiscal year 1992-93 and $5,651,700 in fiscal year 1993-94 for debt service.

f. Department for Social Services

	1992-93	1993-94
General Fund	108,398,400	128,445,000
Restricted Funds	16,831,500	4,537,500
Federal Funds	117,660,400	118,216,800
Total	242,890,300	251,199,300

Notwithstanding KRS 205.460, entities contracting with the cabinet to provide essential services under KRS 205.455 and this section shall provide local match, not less than the amount in effect during fiscal year 1991-92. Local match may include any combination of materials, commodities, transportation, office space, personal services or other types of facility services, or funds. The secretary shall prescribe the procedures to certify the local match assurance.

Included in the above General Fund appropriation is $178,000 in fiscal year 1992-93 and $388,900 in fiscal year 1993-94 for debt service.

g. Administration and Program Support

	1992-93	1993-94
General Fund	16,022,000	16,569,000
Restricted Funds	5,993,200	6,068,300
Federal Funds	16,111,700	16,633,900
Total	38,126,900	39,271,200

Included in the above General Fund appropriation is $5,835,600 in fiscal year 1992-93 and $6,284,800 in fiscal year 1993-94 for debt service.

Notwithstanding other provisions to the contrary including KRS 213.141, the secretary shall promulgate such administrative regulations to prescribe user fee amounts which are provided in the applicable restricted fund appropriations with the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet. Such actions and approvals shall be reported simultaneously, in writing, to the Interim Joint Committee on Appropriations and Revenue. Changes in user fee amounts not requiring revised administration regulations shall be reported 30 days prior to the effective date of the change, in writing, to the Interim Joint Committee on Appropriations and Revenue and include the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet.

Any authorizations in the Appropriation Act with respect to transfer, increase, or decrease of appropriated funds for the Cabinet for Human Resources shall be in accordance with the General Provisions of the Appropriations Act.

53. COMMISSION FOR HANDICAPPED CHILDREN

	1992-93	1993-94
General Fund	7,895,000	7,995,000
Restricted Funds	1,545,000	1,591,400
Federal Funds	4,134,800	4,134,800
Total	13,574,800	13,721,200

54. COMMISSION FOR HEALTH ECONOMICS CONTROL IN KENTUCKY

	1992-93	1993-94
General Fund	423,000	423,000
Restricted Funds	152,700	116,700
Total	575,700	539,700

TOTAL - HUMAN RESOURCES CABINET

	1991-92	1992-93	1993-94
General Fund		864,747,800	***1,163,978,900*** [~~952,078,900~~]
Restricted Funds	1,400,000	***332,914,100*** [~~332,976,600~~]	***136,713,600*** [~~348,940,600~~]
Federal Funds		***2,573,196,900*** [~~2,573,259,400~~]	***2,768,829,500*** [~~2,769,156,500~~]
TOTAL	1,400,000	***3,770,858,800*** [~~3,770,983,800~~]	***4,069,522,000*** [~~4,070,176,000~~]

Section 20. 1992 Kentucky Acts Chapter 462, Part I, Section L at page 1994, is amended to read as follows:

L. REVENUE

75. REVENUE CABINET

a. Department of Administrative Services

	1991-92	1992-93	1993-94
General Fund	150,000	15,469,400	16,097,800
Restricted Funds		122,500	55,000
Total	150,000	15,591,900	16,152,800

Notwithstanding the provisions of KRS 136.392(b), the insurance surcharge rate shall be adjusted to a rate calculated to provide sufficient funds for the 1992-94 enacted budgets, including the administration of training programs, pay supplements prescribed by statute and debt service for the respective program funds specified in KRS 95A.220 and KRS 15.430 fiscal year 1992-93 and fiscal year 1993-94. The calculation of sufficient funds in the enacted budgets, shall include any restricted fund carry forwards from fiscal years 1992, 1993, and 1994, provided by the General Assembly in this Act. Appropriations budgeted for transfer to the General Fund in accordance with the provisions of Part V of this Act shall also be included.

b. Property Valuation Administrators

	1992-93	1993-94
General Fund	16,161,200	15,615,900
Restricted Funds	2,096,800	1,955,200
Total	18,258,000	17,571,100

Included in the above General Fund appropriation is $1,500,000 in fiscal year 1992-93 and $500,000 in fiscal year 1993-94 for continuation of the Emergency Assessment Program to be administered by the Department of Property Taxation. Any balance at the end of fiscal year 1992-93 shall not lapse, but shall be carried forward for the completion of this program.

c. Department of Tax Compliance

	1992-93	1993-94
General Fund	19,047,100	20,517,400
Road Fund	1,000,000	1,000,000
Restricted Funds	***2,519,300*** [~~2,456,800~~]	***1,579,400*** [~~1,252,400~~]
Federal Funds	***62,500***	***327,000***
Total	***22,628,900*** [~~22,503,900~~]	***23,423,800*** [~~22,769,800~~]

The Road Funds appropriated above represent the cost of the Road Fund Compliance Programs within the Revenue Cabinet including six additional permanent full-time employees and are to be used exclusively for that purpose.

Notwithstanding the provision of KRS 365.390, the accumulated balance in the Cigarette Enforcement Agency Fund Account is hereby appropriated for any lawful tax compliance activity.

d. Department of Property Taxation

	1991-92	1992-93	1993-94
General Fund	975,500	5,428,100	5,557,700
Road Fund		250,000	250,000
Restricted Funds		354,000	254,000
Total	975,500	6,032,100	6,061,700

The Road Funds appropriated above represent the road fund portion of the costs of the Motor Vehicle Property Tax program and are to be used exclusively for that purpose. In accordance with the provisions of KRS 134.400 it is the intent of the General Assembly to establish the Delinquent Tax Fund in the Department of Property Taxation. Proceeds shall be deposited to this account according to KRS 134.400 except that the first $100,000 shall be deposited exclusively to the General Fund.

TOTAL - REVENUE CABINET

	1991-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund		1,250,000	1,250,000
Restricted Funds		***5,092,600*** [~~5,030,100~~]	***3,843,600*** [~~3,516,600~~]
Federal Funds		***62,500***	***327,000***
TOTAL	1,125,500	***62,510,900*** [~~62,385,900~~]	***63,209,400*** [~~62,555,400~~]

76. KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION

	1992-93	1993-94
Restricted Funds	133,782,200	145,061,700

TOTAL REVENUE

	1991-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund		1,250,000	1,250,000
Restricted Funds		***138,874,800*** [~~138,812,300~~]	***148,905,300*** [~~148,578,300~~]
Federal Funds		***62,500***	***327,000***
TOTAL	1,125,500	***196,293,100*** [~~196,168,100~~]	***208,271,100*** [~~207,617,100~~]

Section 21. To the extent that 1992 Kentucky Acts Chapter 459, the 1992-94 State/Executive Branch Budget Memorandum, is in conflict with Sections 19 and 20 of this Act, the conflicting provision of 1992 Kentucky Acts Chapter 459 is superseded by the provision of Sections 19 and 20 of this Act, which shall control.

Section 22. The following KRS sections are repealed, effective April 1, 1993:

205.576 Assessment of cost-based providers - Use of assessments - Return to providers - Appeals

205.577 Assessment of medical providers - Use of assessments - Return to providers - Appeals

Section 23. The following KRS sections are repealed, effective June 30, 1993:

205.575 Hospital indigent care assurance program

205.578 Legislative review of medical assessment improvement trust fund expenditures and transfers

Section 24. It is the express intent of the General Assembly in enacting Section 22 of this Act that the repeals of KRS 205.576 and 205.577 be retroactive to April 1, 1993.

Section 25. Whereas the tax currently levied and used as a funding source for the medicaid program is invalid as of July 1, 1993, the tax levied under the provisions of this Act is for the purpose of conforming to federal requirements and is to be used as a source of funding for the medicaid program.

Section 26. Whereas it is essential that the Commonwealth continues to receive maximum federal participation in its medical assistance program, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

HB 2, AN ACT making an appropriation to the Legislative Research Commission for expenses incurred in connection with the Second Extraordinary Session of 1993 of the General Assembly, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund, for the payment of salaries and other expenses of the Second Extraordinary Session of 1993 of the General Assembly, the sum of $29,914 per calendar day during the Second Extraordinary Session of 1993.

Section 2. That there be appropriated from the General Expenditure Fund to the Legislative Research Commission the sum of $3,000 per calendar day during the Second Extraordinary Session of 1993.

Section 3. That there be transferred from the Monthly Expenses of Legislators' Account to the Legislative Sessions Fund the amount of $4,416 per calendar day of the Second Extraordinary Session of 1993 to be used for necessary expenses during such extraordinary session.

Section 4. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $15,000 to pay for the cost of printing and binding the Acts and Journals of the Second Extraordinary Session of 1993.

Section 5. That there be appropriated from the General Expenditure Fund to the Legislative Sessions Fund the sum of $78,200 to pay the cost of expert testimony, legislators' travel, and stationery allowances for the Second Extraordinary Session of 1993.

Section 6. Whereas, the General Assembly is now in session, and it is necessary that funds be made available immediately, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor, and shall be retroactive to include all calendar days of the Second Extraordinary Session of 1993, beginning May 10, 1993.

Motions, Petitions and Communications

Representative Barrows moved that the rules be suspended in order that he be recorded as present on the convening roll call. Agreed.

The Speaker announced the appointment of the following members to serve on the committee to wait upon the Governor pursuant to **HR 3**: Representative Barrows, Chairman; Representatives Jensen, Fox, Nesler and Palumbo.

Announcements

Representative Stumbo announced the following convening times for the House of Representatives: May 11, 1993, 10:00 a.m.; May 12, 1993, 2:00 p.m.; May 13, 1993, 10:00 a.m.; May 14, 1993, 10:00 a.m.

The Clerk announced the following meetings:

Appropriations and Revenue, May 11, 1993, thirty minutes upon adjournment.

Health and Welfare, May 11, 1993, thirty minutes upon adjournment in the House Chambers.

Counties and Special Districts, May 13, 1993, 12:30 p.m., Room 131.

Jefferson County Delegation, May 10, 1993, 1:00 p.m., Room 125.

Personal Service Contracts, May 11, 1993, 9:00 a.m.

Minority Caucus, May 10, 1993, 1:30 p.m., Room 113. (Majority Caucus, May 10, 1993, 1:15 p.m., Room 129.)

Labor and Industry, May 11, 1993, cancelled.

Recess

Representative Stumbo moved that the House recess until 7:00 p.m. to reconvene in Joint Session to receive the Governor. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the Rules be suspended to grant floor privileges to the Constitutional Officers and invited guests. Agreed.

Representative Stumbo moved that the House and Senate resolve into Joint Session. Agreed.

Joint Session

The Chief Doorkeeper announced the arrival of the President of the Senate.

Speaker Clarke vacated the Chair.

The President of the Senate assumed the Chair and called the Joint Session to order.

Prayer by Dr. John F. Calloway, First Presbyterian Church, Frankfort.

Representative Stumbo moved to dispense with a call of the roll. Agreed.

The Chief Doorkeeper announced the arrival of the Governor of the Commonwealth of Kentucky who was escorted to the podium by previously appointed committees by the House and Senate.

Governor Brereton C. Jones addressed the Joint Session of the General Assembly as follows:

Lieutenant Governor Patton, Constitutional Officers, Senator Rose, Speaker Clarke, Honorable members of the General Assembly, Members of the Executive Cabinet, Ladies and Gentlemen.

We gather tonight to continue our history-making journey together in this 201st year of our Commonwealth. There is always a special feeling to these reunions of men and women who work tirelessly on behalf of our extended family of Kentuckians. But the atmosphere tonight has a certain electricity, one that is sparked not only by the magnitude of the challenge before us but also by the realization that we have a tremendous opportunity to do for our Kentucky family what no other state has done — contain costs and provide affordable, quality health care for each and every citizen.

We've been on this journey for a while now. The "few more weeks" and "few more days" have all finally passed in bringing us to this point. And we're not here because this is easy or enjoyable. We're here because we are unwilling to shirk the responsibility that our election to public office has assigned to us. That responsibility directs us to do the right thing for the good of all Kentuckians. All Kentuckians — not just those we know or those whose voices we hear through special interest groups. But all Kentuckians — and especially the thousands whose names and faces are unfamiliar to us and whose voices have been muffled by fear, isolation or poverty.

We have not only the opportunity, but the obligation, to ease the burdens that have been imposed on our people by the skyrocketing costs of a health care system that inadequately meets their needs. Fulfilling this obligation will require sacrifices that must be shared by all of us. And those who have profited the most from this dollars-driven system must now, in fairness, be asked to give the most. Not more than they can afford, but a fair share. We need parity, not punishment, for all — individual Kentuckians, businesses, providers, government. At the same time, we must not destroy the desire of our brightest young people to become health care providers.

You have before you the details of our reform proposal. I am confident that your review of the legislation will be thorough and complete. There have been countless questions and suggestions, and undoubtedly there will be many more. As we have throughout this process, we stand ready to respond and to listen. We are open to better ideas because we know that the strength of many minds will only serve to bolster our efforts.

As you begin your deliberations, I ask that you also stand ready to respond and to listen. This has not been and will not be a painless process. But it is necessary that we give it the time and attention it deserves. We cannot hope to resolve problems that took decades to create in a matter of a few legislative days. And, yes, each of those days costs $37,000. But, based on the unchecked increases in what we are spending on health care, it costs us $250,000 a day to do nothing. If we invest $37,000 a day to save $250,000 a day, we have made an excellent investment for our Commonwealth. We simply cannot afford to wait, and I believe the people of Kentucky want us to stay here until the job is done.

There is a reason that these gatherings are called extraordinary sessions — they were designed to address extraordinary issues. And I can think of none that better fits into that category than health care reform. Every member of the House and Senate — not just those who serve on certain committees — deserves to have access to all the information necessary to make a decision based on the facts. Gaining that level of knowledge won't happen overnight, and I want you to know that we will put at your disposal the actuaries and economists and other experts who advised us in this process. We, too, had a lot of issues to resolve. Because of the complexity and the need for genuine understanding on the part of all members of the General Assembly, I was pleased to hear that the House Health and Welfare Committee will meet tomorrow in the House Chamber, where all of your members will have room to participate in this process. I ask that you consider continuing this practice throughout the Session to ensure that every representative and every senator has access to all the information that is shared as questions are asked and issues are debated.

As I said before, the strength of many minds will bolster our reform efforts. On a subject as complex as health care, there are many areas where we must all be willing to compromise; however, I cannot in good faith compromise on the two goals that provide the foundation our health care reform initiative. We must control health care costs and restrict increases to the cost of living. We must provide universal coverage for all Kentuckians without exclusions for pre-existing conditions. And we must do it now because we cannot afford to wait.

There are those who would describe these goals as unrealistic, unworkable, too much too soon. There are those who would remind us that politics is the art of the possible — and say that this is impossible. In response, I say that, not only are these goals realistic and workable, it is long past time that we met them. Our people are waiting — nearly 450,000 without insurance, thousands more just one illness or accident away from economic catastrophe, the rest of us paying too much and picking up the tab for the uninsured. And we are picking up the tab — every time we pay an insurance premium or go to the doctor or check into a hospital.

A popular phrase for this is cost shifting. And it means simply this. When my son gets a sore throat, I take him to the family doctor's office in Woodford County and the office visit costs $34. When the child of an uninsured parent gets a sore throat, they take him to the hospital emergency room, where the cost is $114. That $114 has to come from somewhere, and it comes from the higher rates those of us with insurance have to pay for health care and coverage. Kentuckians — both those with insurance and those without — are waiting for us to lead the way of this perverse system. It is wrong to force those who pay for health insurance to also pay the hidden tax that comes from cost shifting. We cannot get control of health care costs until we stop the cost shifting, and we cannot stop the cost shifting until we get coverage for every Kentuckian.

A majority of those 450,000 Kentuckians who have no coverage are children and working individuals. People who go to work every day trying to make ends meet but who cannot pay the rapidly escalating cost of health coverage.

There are undoubtedly many ways to reach our goals of universal coverage and cost controls, and we must all be willing to keep our minds open to compromise on how we get there. But we must get there.

Big numbers can get our attention, but I feel that it is often the individual story that truly helps us appreciate the reality of a situation. A mother from Wallins, Kentucky recently shared the story of her son with me in a letter that I want to share with you in part.

"Dear Governor Jones:

I am a mother of a four year old boy who needs an operation and can't get it because we have no insurance. My husband works in a small coal mine making $9 an hour, but the mines carry no insurance for the families. I took my son to the doctor and he told me that David needed his tonsils and adenoids taken out. He has gone from 58 pounds down to 42 1/2 pounds because he can't eat much; it won't go through his neck because his tonsils are so enlarged and growing. He can't breathe at night and can't play too hard because of smothering so bad.

They informed me that I would have to have $400 to $800 for the hospital and $250 for the doctors fee before they would even consider it . . . . We don't have that kind of money, so they said to save it up and come back when I have it . . . . My son's condition is not life threatening right now, but it is very hard on him and us to hear him gasp for breath. It scares us to death and kills us because we can't help him."

Another Kentuckian, a man from Harrodsburg, wrote that he earns about $30,000 a year and pays a family coverage premium of $5,660 annually. His wife has Hodgkin's disease which, thankfully, is in remission. But his fear is that his employer's insurance company won't renew its coverage when the contract expires in December or that the premiums will be raised again. And they have increased over 100 percent in just three years.

To quote from his letter, "The pre-existence of my wife's disease will make her uninsurable with any other company. Taxes and insurance take nearly 45 percent of my weekly pay. It's no wonder the American dream is gone for so many middle class working families."

It is an unfortunate reality that there are hundreds of thousands of Kentuckians who share these experiences every single day. These are hard-working, tax-paying Kentuckians who are not looking for a hand-out. They are looking for fairness and equity and relief from this unfair burden they must bear. And our reform initiative is not a welfare program to make people more dependent on government. It is just the opposite of that. It provides a solution to a long-standing problem within our welfare system — when a single mother can't afford to take a low-paying job with no benefits because it will mean losing the medical card that guarantees care for her children. Our program is structured to change that — to encourage that single parent to get a job because she will have insurance — not only for her children but for herself as well.

I hope that there isn't a single man or woman in this chamber who would not be moved to act out of compassion. But I also recognize that the reality of our state's financial condition makes it impossible to solve all the problems we would like to solve because we know in our hearts that the need exists. Ours is not a wealthy state, where meeting a challenge by writing a check on the state's bank account is a readily available solution. But in this case, we have situation that is rare in our history: our humanitarian needs and our economic needs coincide. We will benefit financially from doing the right thing.

If we do not act, and act now, to control health care costs, they will bankrupt us as a state, as individuals, as businesses, as communities. If we do not act, your Appropriations and Revenue Committees will find budgeting the vast majority of our new resources a relatively simple task — the money will go to health care. What little is left will be woefully inadequate to continue our progress in education reform, protect our environment, sufficiently compensate state employees, guard our citizens against crime, help create new jobs, or perform the many other services for which state governments exists.

Here, the big numbers speak for themselves. Health care costs have increased an average of nearly 15 percent a year in recent years. State government will spend more than $900 million this year on health care. Medicaid expenditures have increased 300 percent over the past decade, with no end in sight. By fiscal year 1997, it is estimated that half of all new general fund money will be used to fund health care. And this uncontrolled spiral isn't limited to the government's expenses. It is at taking every business and every individual in this Commonwealth. Our correspondent from Harrodsburg that I spoke of earlier wrote of a 100 percent premium increase in the last three years alone. That isn't the exception. It's the rule. We can't let this go on forever. We cannot — and we must not — let this go on any longer. We're talking plain dollars and cents and we simply cannot afford it. More importantly, our people cannot afford it.

This is a call to action that we cannot ignore, and I am convinced that the courage we have seen exhibited time and again in the Kentucky General Assembly will come to the fore in meeting this challenge.

I am also convinced that the plan we have presented to you will meet our goals of controlling costs and providing universal coverage. In addition, it will provide long-term reform in placing a strong emphasis on training more primary care physicians and on locating these physicians in the underserved areas of our state. As I mentioned earlier, the details of our proposal are numerous and we could spend hours discussing each of them. In fact, I except that hours will be devoted to discussing and debating each of them. But tonight I want to offer a closer look at the effect of our plan on individuals and employers because I know that you and the Kentuckians you represent have concerns in these areas.

We do not want to ask more of anyone than they can afford in reforming health care. But we will ask a fair share from everyone. And we will require that all Kentuckians have health insurance by next year. With that requirement, however, will come assistance for low-income individuals and families. To give you an example of how this assistance will work, I want to talk again about the young mother from Eastern Kentucky whose son needed an operation the family could not afford.

Her husband's $9 an hour salary translates into an annual income of $18,700, an amount that is 130 percent of the federal poverty level for a family of four. This family would receive coverage for the little boy's care — and that of his 9-year-old sister — at no cost to them because our plan will cover all children up to 200 percent of poverty under the Medicaid program. The parents would each be eligible for the low-cost minimum benefit coverage we have proposed at a per-person cost of $85 a month. But since their income level is under 200 percent of poverty — at 130 percent of that level — they would receive assistance amounting to 70 percent of their premium costs. That means that both parents would receive coverage for a total of $51 a month. All of their preventive care would be free, there would be no deductibles on their plan and they would be expected to make reasonable co-payments, such as $7 for a physician's visit or for a prescription.

What about Kentuckians who are already receiving coverage through their employers? This group represents the majority of Kentuckians, and I think it is imperative that I clearly outline what they can expect from reform. First of all, if they keep their current insurance, they will see a lowering of premium cost increases. Secondly, if they choose, they can opt for a comprehensive benefit package at a lower cost for family coverage through the state mega-pool. And this will be something they can count on, no matter what kind of medical catastrophe they or their family members experience. They cannot be denied coverage because they suffer from a pre-existing illness such as cancer, heart disease, or diabetes. And there will be no maximum lifetime benefits imposed on them. There will be no more experiences like the one a teacher told us about recently where, while both he and his son receive treatments for cancer, his insurance company sends him regular reports detailing how close he is coming to his $1 million lifetime maximum on coverage. Kentuckians can expect security, reasonable rates, and lifetime protection under our reform proposal.

Protecting the businesses that provide jobs for Kentuckians has always been a focus of our administration. That was especially true when we were looking at a number of options in health care reform. We knew that the vast majority of Kentucky employers — 72 percent — already provide insurance for their workers. We also knew that the cost of that insurance has been escalating unchecked every year, that one employee with a serious illness could break the bank for group coverage, and that more and more business owners were finding themselves struggling to obtain coverage at any cost. And we knew that those providing insurance were paying a hidden tax because they were paying twice — once for their own employees' insurance and once to cover the uninsured. We haven't heard much discussion of this hidden tax, but it is very real and very expensive for our Kentucky employers. One other reality also confronted us: dramatic increases in workers compensation insurance rates threatened the viability of many employers, and by dramatic increases I'm talking about 54 percent in the past two years.

Our approach here, as with individuals, focused on savings and security. Our plan will give Kentucky business owners the option of reducing their insurance costs by joining the state mega-pool. These costs will be controlled, and the employers won't find themselves facing the prospect of being denied group coverage — or offered inordinately expensive group coverage — because one of their employees has suffered a catastrophic illness or accident. Workers comp rates will be reduced by 5 percent across-the-board and then frozen for two years. This will be a savings of $193 million for Kentucky businesses by 1996. And we can save even more. We must be creative in our thinking and explore the possibilities offered by 24-hour coverage and by merging automobile insurance with health care coverage.

Yes, we will impose a 3.75 percent payroll tax. But credits will be given to businesses for the money they spend on health care for their employees. And that means the vast majority of Kentucky businesses will pay no more in taxes and will actually save money when workers comp rates are reduced and they no longer have to pay that hidden tax I mentioned earlier. In short, we are easing the tax burden on nearly three-fourths of Kentucky employers with the passage of this legislation, and we will ease it even further as health care costs are controlled in the future. And that will send a signal to the entire country that Kentucky is the place to create jobs because we have had the encourage to confront this problem and overcome it.

If businesses spend nothing on health care, they won't receive a tax credit. But it is important to remember that the business owner's insurance, or that of his or her family members who work for the business, can be claimed as a credit against the payroll tax.

Some opponents have expressed the belief that those employers who cover their workers now will drop their insurance and pay the 3.75 percent payroll tax instead. This is illogical for two reasons:

(1) The employers have already voluntarily chosen to cover their employees because they think it is the proper business decision.

(2) Only those employees whose income is at 200 percent of the poverty level or less will automatically qualify for the standard $85 plan.

I had a chance recently, during a meeting with one of you, to respond directly to one of your constituent's concerns. This woman has a welding company with only three employees, plus her husband, herself and her son. When I called her, I said, "I understand you've got some problems with my health care plan." And she said, "You better believe I've got some problems with it. It would drive me out of business."

But then we began talking details and she expressed the fear that either the employer mandate, which we had considered earlier, or the payroll tax would be more than she could afford. She told me that she is currently paying half her employees' health insurance costs and that her husband had a heart attack five years ago and the cost of his insurance is three times hers.

She was good enough to share some of her numbers with me and, when she did, we found out that the credit she will receive will mean that she will have no additional taxes to pay. I also pointed out that our plan makes it illegal to discriminate against a person because of a pre-existing condition and that her husband could not be charged more for his insurance than she paid for her own.

"Well, Governor," she said, "I didn't realize that. I've been getting all the wrong information. I've been confused about all this. This is the best thing that could ever happen to me."

It is important to us to protect our people and our businesses. It is also important to us to protect and preserve the community hospitals that serve so many of our citizens. The Kentucky Hospital Association told us recently that, if we do nothing, between 12 and 18 hospitals may be forced to close in the next 12 to 36 months. We want to do everything we can to save those hospitals, and that is why our reforms are designed to help them develop a new niche in the marketplace — not to close them down. We cannot, and we will not, turn our backs on this very important part of our health care delivery system.

Through the work of the Health Care Authority, we will develop a master plan of health services for the entire state. Every hospital cannot compete with every other hospital for open heart surgery or organ transplants. But each hospital must find its niche in the market and also provide certain emergency services for the people in its community. Woodford Memorial Hospital in Versailles is a classic example of the type of hospital that can be saved with our reform legislation.

What we accomplish in the coming days and weeks will tell not only our Kentucky family but the rest of the nation that, in this Commonwealth, we are prepared to meet the most pressing problems head-on and solve them.

Kentucky is not the first state to address health care, but every other state has failed to adequately control costs because it has succumbed to the special interests and reached a political solution rather than a real solution. The vast majority of Kentuckians are not represented by the so-called special interests, but their interests are the most special of all. The nearly 450,000 of our family members without insurance and the thousands of others who are literally on the brink of economic collapse have no powerful lobbyists to bring their message to Frankfort. But I want everyone to know that I will be their lobbyist. And I predict that a majority of the Kentucky General Assembly will join me in working on their behalf.

Normal political posturing will give us the same result as every other state has had, and our people deserve more than that. We cannot afford to fail. And we cannot afford $250,000 a day to wait on Washington. We must chart our own course to ensure that Kentuckians do what is best for Kentuckians. We will not relinquish this right — or this responsibility.

We have never faced a greater challenge as a state government. And I have never faced a tougher fight in my life. But I have also never been more committed to anything than I am to this effort. Those who speak of politics as the art of the possible are talking about politics as usual. In this case, politics must be the art of expanding our horizons and embracing new solutions so that what once seemed impossible becomes a reality. There comes a time when we must renew the pioneering spirit that established Kentucky, break the stranglehold of the special interests and take a leadership role in solving the most complex and difficult problem facing our state and nation today. And that time is now.

Thank you.

Representative Stumbo moved that the Joint Session of the House and Senate be dissolved. Agreed.

The Speaker resumed the Chair.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Tuesday, May 11, 1993.

On the roll call the vote was yeas 65—Adams, Adkins, Allen, Altman, Arnold, Barrows, Bentley, Bowling, Buis, Callahan, Cave, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Ford, Fox, French, Gedling, Geveden, Graham, Gray, Hancock, J. Harper, Hatcher, Jensen, Lear, Lee, Lewis, Lindsay, Lyne, Maggard, Mason, Moberly, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Rapier, Rasche, Richards, Ridley, Riggs, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stengel, Stumbo, Todd, Trapp, Turner, Ward, Wayne, Zimmerman. Nays 1-LeMaster.

The motion to adjourn was adopted.

TUESDAY, MAY 11, 1993

SECOND LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Dr. Mark Hopper, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bryant, Butler, Deskins, Lear, Little, McElroy, Ridley and Stacy.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 10, 1993 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HB 6, by Representatives Mason, Burch, Scorsone and Maggard: AN ACT relating to access to health services.

HR 4, by Representative Jensen: A RESOLUTION relating to compliance with the Legislative Code of Ethics prior to its effective date.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill:

Health and Welfare: **HB 5**

Calendar

HB 1 and **HB 2** taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that they be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended for a report of the Committee on Rules. Agreed.

Report of Committees

The Committee on Rules reported that the following Bills have been recommitted:

Appropriations and Revenue: **HB 1**, **HB 2**

Motions, Petitions and Communications

Representative Jensen moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Jensen moved the adoption of the following **HR 4**:

HR 4, A RESOLUTION relating to compliance with the Legislative Code of Ethics prior to its effective date.

WHEREAS, the public's perception of the General Assembly is crucial to our constituents' faith in our ability to address the complex and crucial problems of health care reform; and

WHEREAS, due to the need for time for the newly created Legislative Ethics Commission to become fully staffed and ready to begin carrying out its duties, many of the basic ethics reforms are not officially effective until September 16, 1993, and most of the election finance reforms are not officially effective until November 3, 1993; and

WHEREAS, the public expects and deserves to have the members of this body comply completely with the spirit of the new Legislative Code of Ethics even though the code is not yet effective;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body comply immediately with the Kentucky Code of Legislative Ethics even though many of its most important provisions have not yet reached their official effective date.

HR 4 was adopted by voice vote.

Representative Jensen moved that a call of the roll be taken to show co-sponsors of **HR 4**. Agreed.

On the roll call the vote was yeas 83—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Bentley, Bowling, Bruce, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Farley, Farrow, Ford, Fox, French, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lee, Lewis, Lile, Lindsay, Long, Lyne, Maggard, Mason, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, B. Smith, R. Smith, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Stumbo moved that the rules be suspended for the Introduction of Bills and Resolutions and the introduction of guests. Agreed.

Introduction of Bills and Resolutions

HB 7, by Representatives Heleringer, Northup, Ackerson and DeWeese : AN ACT responding to the Proclamation of the Governor for the 1993 Second Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, providing for revenues related thereto, and making an appropriation therefor.

HR 5, by Representative Ward: A RESOLUTION adjourning in loving memory of William W. Thornberry.

Representative Ward moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Ward moved the adoption of the following **HR 5**:

HR 5, A RESOLUTION adjourning in loving memory of William W. Thornberry.

With deepest respect, we pay homage and tribute to William W. Thornberry.

WHEREAS, William W. Thornberry was born on April 6, 1927, a native of Louisville, Jefferson County, Kentucky, and traversed these earthly bounds on May 8, 1993; and

WHEREAS, William W. Thornberry was the adored son of Mary Aleene Duttlinger Thornberry and William W. Thornberry; and

WHEREAS, William W. Thornberry was the loving husband of Phyllis Curley Thornberry, who preceded him in death; and

WHEREAS, William W. Thornberry was the devoted father of Teresa Thornberry Schum, Bruce A. Thornberry, Don J. Thornberry, and Steve J. Thornberry, and proud grandfather of six grandchildren; and

WHEREAS, William W. Thornberry served his country with distinction during World War II as a member of the United States Navy; and

WHEREAS, William W. Thornberry was a member of St. Xavier Alumni Association; and

WHEREAS, William W. Thornberry was a retired chief deputy clerk for the Jefferson County Circuit Court Clerk's office; and

WHEREAS, William W. Thornberry was a highly esteemed member of the Jefferson County Democratic party and will be remembered as an active and involved citizen of his community; and

WHEREAS, William W. Thornberry was a devout member of Ascension Catholic Church; and

WHEREAS, the passing of William W. Thornberry has left a void that will be difficult to fill, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does hereby express its profound sense of sorrow upon the passing of William W. Thornberry and does extend to his family its most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day, it does so in loving memory of William W. Thornberry.

Section 3. That the Clerk of the House of Representatives is hereby directed to transmit four copies of this resolution to Mr. Bruce A. Thornberry, 1839 Rutherford Avenue, Louisville, Kentucky 40205.

HR 5 was adopted by voice vote.

Announcements

The Clerk announced the following meetings:

Appropriations and Revenue, 11:00 a.m., May 11, 1993, Room 131.

Health and Welfare, May 11, 1993, House Chamber, thirty minutes upon adjournment. Future meetings will be held in Room 149 of the Capitol Annex.

Adjournment

Representative Stumbo moved that the House adjourn until 2:00 p.m., Wednesday, May 12, 1993.

On the roll call the vote was yeas 69—Ackerson, Adams, Adkins, Allen, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Buis, Callahan, Cave, L. Clark, P. Clark, Coleman, Collins, Crenshaw, Curd, Cyrus, DeWeese, Donnermeyer, Farley, Farrow, Fox, French, Gedling, Gee, Geveden, Graham, Gray, K. Harper, Hourigan, Keith, Kerr, Lee, Lyne, Mason, Moberly, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stengel, Todd, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 6—Damron, Hatcher, Heleringer, LeMaster, Lile, Maggard.

The motion to adjourn was adopted.

WEDNESDAY, MAY 12, 1993

THIRD LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Father Theodore Keller, Church of the Good Shepherd, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bruce, Bryant, Butler, Deskins, Johnson, Little, Mullinix, McElroy, Ridley, Riggs and R. Smith.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 11, 1993 be dispensed with and the same approved. Agreed.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bills:

Health and Welfare: **HB 6, HB 7**

Report of Committees

The Committee on Appropriations and Revenue reported **HB 1** with Committee Substitute attached thereto, and **HB 2** with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

HB 1, AN ACT relating to taxation and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 19 of this Act:

(1) "Cabinet" means the Cabinet for Human Resources;

(2) "Health care items or services" means items or services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation;

(3) "Health maintenance organization" or "HMO" means an organization established and operated pursuant to the provisions of Subtitle 38 of KRS Chapter 304;

(4) "Hospital" means an acute care hospital licensed under KRS Chapter 216B;

(5) "Medicaid" means the state program of medical assistance as administered by the cabinet in compliance with 42 U.S.C. Sec. 1936;

(6) The terms "inpatient hospital services," "outpatient hospital services," "nursing facility services," "intermediate care facility services for the mentally retarded," "physician services," "home health care services," and "outpatient prescription drugs" have the same meaning as set forth in regulations promulgated by the Secretary of the Department of Health and Human Services pursuant to the authority granted under 42 U.S.C. Sec. 1302.

(7) "Secretary" means the secretary of the Cabinet for Human Resources or that person's authorized representative;

(8) "Provider" means any individual or entity providing health care items or services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation, excluding facilities operated by the federal government;

(9) "Revenue secretary" means the secretary of the Revenue Cabinet or that person's authorized representative; and

(10) "Gross revenues" means the total amount received in money or otherwise by providers for the provision of health care items or services in Kentucky, less the following:

(a) Amounts received by any provider as an employee or independent contractor from another provider for the provision of health care items or services on behalf of the paying provider if:

1. The paying provider receives revenue attributable to health care items or services provided by the employee or independent contractor receiving payment; and

2. The paying provider is subject to the tax imposed by Section 2 or 3 of this Act on the receipt of such revenue; and

(b) Amounts received as a grant or donation by any provider from federal, state, or local government or from an organization recognized as exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code for research or for administrative or operating costs associated with the implementation and operation of an experimental program.

SECTION 2. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed on all hospitals providing health care items or services at a rate of two and one-half percent (2.5%) of the gross revenues received on or after July 1, 1993, for the provision of health care items or services.

SECTION 3. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed on the gross revenues received on or after July 1, 1993, for the provision of nursing facility services, intermediate care facility services for the mentally retarded, physician services, home health care services, health maintenance organization services, and the provision of any other specific health care items or services that federal legislation or regulation permits the state to tax, and which the Secretary includes through the issuance of an administrative regulation promulgated pursuant to the authority granted in Section 6 of this Act, at a rate of two percent (2%) of the gross revenues received by each provider for the provision of health care items or services.

SECTION 4. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed at the rate of twenty-five cents ($0.25) per prescription upon outpatient prescription drugs for which actual payment is received in this state on or after July 1, 1993.

SECTION 5. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

The taxes imposed by Sections 2, 3, and 4 of this Act shall not be passed on by the provider to the recipient of the taxable items or services.

SECTION 6. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions establishing rates set forth in Sections 2, 3, and 4 of this Act, it is the intent of the General Assembly to take full advantage of all federal funds that may be available to provide medical assistance to the citizens of the Commonwealth. To insure that the opportunities of the Commonwealth in this regard are maximized, the secretary shall have the authority to make the following adjustments to the tax rates imposed under Sections 2, 3, and 4 of this Act:

(a) During any period that federal legislation or regulation causes a reduction of federal financial participation in the state's medicaid program if state revenues from provider donations or taxes exceed a specified level, the secretary shall review, at the close of each fiscal quarter, the rate of taxation and revenue generated by the taxes imposed under Sections 2, 3, and 4 of this Act. The secretary shall proportionally reduce the rates set forth in Sections 2, 3, and 4 of this Act, or the rates in effect, as the case may be, if a reduction is necessary to maintain full federal financial participation in the state's medicaid program. If the rates set forth in Sections 2, 3, and 4 of this Act, or the rates in effect, as the case may be, are less than the rates necessary to generate sufficient funds to maximize the federal financial participation in the state's medical assistance program, the secretary shall proportionally increase the rates set forth in Sections 2, 3, and 4 of this Act, or in effect, as the case may be, up to a maximum of six percent (6%) of gross revenues for the taxes imposed under Sections 2 and 3 of this Act, and up to a maximum of

thirty-five cents ($0.35) for the tax imposed under Section 4 of this Act. Any rate change made pursuant to this subsection shall be effective for the fiscal quarter following the fiscal quarter in which the rate change is announced, as provided in Section 16 of this Act. Notification of any rate change shall be made pursuant to the provisions of Section 16 of this Act.

(b) During any period that there is no federal cap imposed on the amount that may be generated through the imposition of a provider tax, the rates established in Sections 2, 3, and 4 of this Act shall apply, and the secretary shall have no authority to adjust the rates.

(2) It is the intent of the General Assembly that the taxes imposed by Sections 2, 3, and 4 of this Act apply to all health care items and services permitted to be taxed under federal law. Therefore, if, subsequent to the enactment of Sections 1 to 19 of this Act, the federal government, through legislation or regulation, includes additional health care items or services among those that may be taxed, the secretary shall, by administrative regulation, include the added items or services to the list of items or services subject to the tax imposed under Section 3 of this Act. If, subsequent to the enactment of Sections 1 to 19 of this Act, the federal government removes health care items or services from the list of items or services that may be taxed, the secretary shall, by administrative regulation, remove those same items or services from the list of items or services subject to the tax imposed under Section 2, 3, or 4 of this Act. Any health care items or services included by the secretary shall be subject to taxation in the same manner as the items and services specifically listed in Section 3 of this Act. Any health care items or services included by the secretary shall first be subject to taxation in the fiscal quarter following the quarter in which the administrative regulation adding the items or services becomes final.

SECTION 7. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Every provider subject to the taxes imposed by Section 2, 3, or 4 of this Act at the time of enactment shall, on or before July 1, 1993, file an application for a certificate of registration with the Revenue Cabinet. Every provider subject to taxation pursuant to an administrative regulation promulgated by the secretary shall file an application for a certificate of registration with the Revenue Cabinet within thirty (30) days of the date the administrative regulation becomes final. Every provider seeking to provide health care items or services in Kentucky for the first time after the effective date of Sections 1 to 19 of this Act shall, prior to providing such items or services, file an application for a certificate of registration with the Revenue Cabinet. The application shall be in the form prescribed by the Revenue Cabinet. The application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner; in the case of a corporation, by an executive officer or some person specifically authorized by the corporation to sign the application.

SECTION 8. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

The taxes imposed by Sections 2, 3, and 4 of this Act are due and payable to the Revenue Cabinet monthly and shall be remitted on or before the twentieth day of the next succeeding calendar month.

SECTION 9. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) On or before the twentieth day of the month following each calendar month, a return for the preceding month shall be filed with the Revenue Cabinet in the form prescribed by the Revenue Cabinet.

(2) A return shall be filed by every provider. The return shall be signed by the person required to file the return or a duly authorized agent.

(3) The return shall show the gross revenues of the provider during the preceding reporting period. The return shall also show the amount of taxes for the period covered by the return and other information as the Revenue Cabinet and secretary deem necessary for the proper administration of Sections 1 to 19 of this Act.

(4) The person required to file the return shall deliver the return, together with a remittance of the amount of the tax due to the Revenue Cabinet.

(5) For the purpose of facilitating the administration, payment or collection of the taxes levied by Sections 2, 3, and 4 of this Act, the Revenue Cabinet may, by administrative regulation, permit or require returns to be filed or tax payments to be made other than as specifically required by Sections 1 to 19 of this Act, except the Revenue Cabinet shall not require or permit returns or payments to be filed or remitted more frequently than monthly, or less frequently than quarterly.

SECTION 10. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) The Revenue Cabinet shall, upon written request received on or prior to the due date of the return or tax, for good cause satisfactory to the Revenue Cabinet, extend the time for filing the return or paying the tax for a period not to exceed thirty (30) days.

(2) Any person for which the extension is granted shall pay, in addition to the tax, interest at the tax interest rate as defined in KRS 131.010(6) from the date on which the tax would otherwise have been due.

SECTION 11. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) As soon as practicable after each return is received, the Revenue Cabinet shall examine it. If the amount of tax computed by the Revenue Cabinet is greater than the amount returned by the taxpayer, the excess shall be assessed by the Revenue Cabinet within four (4) years from the later of the date the return was filed or due, except that in the case of a failure to file a return or a fraudulent return, the excess may be assessed at any time. A notice of assessment shall be mailed to the provider. The provider and the Revenue Cabinet may agree to extend this time period.

(2) Any provider aggrieved by an action of the Revenue Cabinet may request a review and shall have the rights of appeal as set forth in KRS Chapter 131.

(3) Notwithstanding the four (4) year time limitation set forth is subsection (1), in the case of a return where the taxpayer understates gross revenues by twenty-five percent (25%) or more, the excess shall be assessed by the Revenue Cabinet within six (6) years from the later of the date the return is due or filed.

SECTION 12. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In making a determination of tax liability the Revenue Cabinet may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on the underpayments.

SECTION 13. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Every provider shall keep records, receipts, invoices, and other pertinent papers in the form as the Revenue Cabinet may require.

(2) Every provider who files the returns required under Section 9 of this Act shall keep records for not less than six (6) years from the making of records unless the Revenue Cabinet in writing authorizes their destruction at an earlier date.

SECTION 14. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In every case, any tax not paid on or before the due date shall bear interest at the tax interest rate as defined in KRS 131.010(6) from the date due until the date of payment.

SECTION 15. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(a) Except where the secretary has been granted specific authority in Sections 1 to 19 of this Act, the Revenue Cabinet shall administer the provisions of Sections 1 to 19 of this Act and shall have all of the powers, rights, duties and authority with respect to the assessment, collection, refunding, and administration of the taxes levied by Sections 2, 3, and 4 of this Act, conferred generally by the Kentucky Revised Statutes including Chapters 131, 134 and 135.

(b) The Cabinet shall be responsible for compliance with all federal reporting requirements regarding the taxes imposed by Sections 2, 3, and 4 of this Act.

SECTION 16. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) A report of revenue receipts from the taxes imposed by Sections 2, 3, and 4 of this Act shall be provided on a quarterly basis by the Revenue Cabinet to the secretary on or before the fifteenth day of the second month following the close of each fiscal quarter.

(2) The secretary shall notify the Revenue Cabinet of any rate change no later than the close of the second month following the close of each fiscal quarter.

(3) All providers affected by a rate change shall be notified of the rate change in writing by the Revenue Cabinet. The Revenue Cabinet shall mail notification to affected providers at the address appearing on the most recent return filed by the provider within fifteen (15) days of receipt of notification of the rate change from the secretary.

(4) The secretary shall notify the Revenue Cabinet upon the promulgation of any administrative regulation including or excluding health care items or services from the group of items and services subject to taxation pursuant to Sections 2, 3, and 4 of this Act.

(5) It is the responsibility of each provider, subject to tax under Sections 2, 3, and 4 of this Act, including providers included after the enactment of Sections 1 to 19 of this Act pursuant to an administrative regulation, to register with the Revenue Cabinet, and comply with the tax and reporting provisions of Sections 1 to 19 of this Act.

SECTION 17. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Any provider charged with the filing of returns and payment of the tax imposed by Sections 1 to 19 of this Act may be required to post a cash or corporate surety bond in an amount to be determined by the Revenue Cabinet.

(2) The Commonwealth may bring an action for a restraining order, or a temporary or permanent injunction to restrain or enjoin the operation of a provider's business until the bond is posted. The action may be brought in the Franklin Circuit Court or in the Circuit Court having jurisdiction over the provider.

SECTION 18. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provisions of Sections 1 to 19 of this Act, the president, vice president, secretary, treasurer, or any other person holding any equivalent corporate office of any corporation subject to the provisions of Sections 1 to 19 of this Act shall be personally and individually liable jointly and severally, for the taxes imposed under Sections 2, 3, and 4 of this Act. Neither the corporate dissolution or withdrawal for the corporation from the state nor the cessation of holding any corporate office shall discharge the liability imposed by this section. The personal and individual liability shall apply to each and every person holding a corporate office at the time the taxes become or became due. No person will be personally and individually liable pursuant to this section if that person did not have authority in the management of the business or financial affairs of the corporation at the time the taxes imposed by Sections 2, 3, and 4 of this Act become or became due. "Taxes" as used in this section shall include interest accrued at the rate provided by KRS 131.010(6) and all applicable penalties and fees imposed under the provisions of Sections 1 to 19 of this Act and KRS 131.180 and 131.990.

SECTION 19. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Penalties shall be imposed and assessed in accordance with the provisions of KRS 131.180.

Section 20. 1992 Kentucky Acts Chapter 462, Part I, Section G, at page 1981, is amended to read as follows:

G. HUMAN RESOURCES

52. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

	1992-93	1993-94
General Fund	40,927,500	41,501,900
Restricted Funds	13,754,800	13,524,700
Federal Funds	82,165,200	82,890,100
Total	136,847,500	137,916,700

The Department for Social Insurance shall reimburse citizen members of the Public Assistance Appeals Board an amount not to exceed $75 per day plus travel expenses.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy and/or Medicaid Benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance and of the Department for Medicaid Services. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	80,455,700	86,095,400
Restricted Funds	11,568,700	12,622,500
Federal Funds	186,338,700	193,842,900
Total	278,363,100	292,560,800

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Social Insurance Benefits appropriation to the Department for Medicaid Services Benefits appropriation to avoid a projected deficit provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue.

In no instance shall these excess funds be used to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

Notwithstanding the provisions of KRS 42.560 and KRS 42.570, the amount necessary to supplement federal funds to maintain program levels as appropriated is authorized from the Energy Trust Fund for fiscal year 1992-93 and fiscal year 1993-94 for the LIHEAP and Weatherization programs.

3. Welfare Reform

	1992-93	1993-94
General Fund	15,454,400	17,278,400
Federal Funds	28,249,900	32,203,500
Total	43,704,300	49,481,900

b. Department for Medicaid Services

1. Administration

	1992-93	1993-94
General Fund	15,213,800	15,955,700
Restricted Funds	***3,329,400*** [~~3,391,900~~	***3,072,900*** 3,399,900]
Federal Fund	***26,996,000*** [~~27,058,500~~]	***27,754,900*** [~~28,081,900~~]
Total	***45,539,200*** [~~45,664,200~~]	***46,783,500*** [~~47,437,500~~]

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the State Budget Director, may be used for Medicaid Benefits and/or Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Medicaid Services and of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	417,000,000	***680,000,000*** [~~468,100,000~~]
Restricted Funds	202,085,000	***13,985,000*** [~~225,885,000~~]
Federal Funds	1,589,566,400	1,757,392,600
Total	2,208,651,400	2,451,377,600

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Medicaid Services. No portion of the General Fund appropriation may be used for the costs of administration.

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Medicaid Services Benefits appropriation to the Department for Social Insurance Benefits appropriation to avoid a projected deficit, provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the Secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue. In no instance shall these funds be used to:

1. Establish a new program.
2. Expand the services of an existing program.

3. Increase rates of payment levels in an existing program.

No funds are included for additional Nursing Facility Medicaid funded beds notwithstanding KRS 205.621(2).

Any hospital which has participated in the HICAP program during the 1990-92 biennium will be required to continue to serve individuals and families with incomes up to 100 percent of the poverty level [~~as provided under KRS 205.575~~].

[~~Notwithstanding the provisions of KRS 205.575 (6) except administrative funding allowance and (7) relating to the distribution of Hospital Indigent Care Assurance Program (HICAP) payments,~~] The distribution of HICAP assessment payments shall be governed by regulations promulgated by the Cabinet for Human Resources designed to make maximum use of available budgetary resources. [~~This language shall not operate to repeal or amend KRS 205.575 (6) and (7).~~]

No hospital may be reimbursed from both the Quality and Charity Care Trust Fund and the Hospital Indigent Care Assurance Program (HICAP)[~~, as established by KRS 205.575,~~] for the same service to the same patient. Any hospital which willfully violates this provision shall be subject to a penalty equal to three times the amount of the improper charge to the funds, which amount shall be credited to the General Fund. The Secretary of the Cabinet for Human Resources shall have the authority to secure such patient information as needed from the participating facilities in order to determine compliance and enforce this provision. Each facility billing and receiving reimbursements from the Quality and Charity Care Trust Fund shall be required to identify each patient by social security number and indicate whether the patient is classified as indigent or medically needy.

Notwithstanding any other provision of this Act or law, in any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement so agree, the General Fund appropriation to fulfill the Commonwealth's contractual obligation relating to the Quality and Charity Care Trust Agreement or any portion thereof, together with any other funds paid to the Quality and Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be transferred to the Department for Medicaid Services as part of its Restricted Fund appropriation for Benefits. In any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of the Trust's revenues to the Department of Medicaid Services for Benefits, the Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

c. Department for Employment Services

1. Employment Services

	1991-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		81,243,200	81,025,400
Total	1,400,000	86,433,700	86,611,800

2. Administration-Unemployment Insurance

	1992-93	1993-94
Federal Funds	20,557,000	21,061,700

3. Benefits-Unemployment Insurance

	1992-93	1993-94
Federal Funds	301,600,000	310,900,000

TOTAL - EMPLOYMENT SERVICES

	1991-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		403,400,200	412,987,100
TOTAL	1,400,000	408,590,700	418,573,500

Notwithstanding KRS 341.835, funds from the Unemployment Insurance Penalty and Interest Account shall be used during fiscal year 1991-92 and the 1992-94 biennium by the Department for Employement Services to operate employment and training programs.

d. Department for Health Services

	1992-93	1993-94
General Fund	45,284,000	45,659,000
Restricted Funds	11,119,500	11,307,700
Federal Funds	97,908,100	101,091,900
Total	154,311,600	158,058,600

Included in the above General Fund appropriation is $257,700 in fiscal year 1993 and fiscal year 1994 to provide toxicology services for the State Medical Examiner's Office.

e. Department for Mental Health/Mental Retardation Services

	1992-93	1993-94
General Fund	117,674,000	124,056,500
Restricted Funds	61,343,800	64,300,500
Federal Funds	20,665,500	21,681,000
Total	199,683,300	210,038,000

Included in the above General Fund appropriation is $5,080,100 in fiscal year 1992-93 and $5,651,700 in fiscal year 1993-94 for debt service.

f. Department for Social Services

	1992-93	1993-94
General Fund	108,398,400 128,445,000	
Restricted Funds	16,831,500	4,537,500
Federal Funds	117,660,400	118,216,800
Total	242,890,300	251,199,300

Notwithstanding KRS 205.460, entities contracting with the cabinet to provide essential services under KRS 205.455 and this section shall provide local match, not less than the amount in effect during fiscal year 1991-92. Local match may include any combination of materials, commodities, transportation, office space, personal services or other types of facility services, or funds. The secretary shall prescribe the procedures to certify the local match assurance.

Included in the above General Fund appropriation is $178,000 in fiscal year 1992-93 and $388,900 in fiscal year 1993-94 for debt service.

g. Administration and Program Support

	1992-93	1993-94
General Fund	16,022,000	16,569,000
Restricted Funds	5,993,200	6,068,300
Federal Funds	16,111,700	16,633,900
Total	38,126,900	39,271,200

Included in the above General Fund appropriation is $5,835,600 in fiscal year 1992-93 and $6,284,800 in fiscal year 1993-94 for debt service.

Notwithstanding other provisions to the contrary including KRS 213.141, the secretary shall promulgate such administrative regulations to prescribe user fee amounts which are provided in the applicable restricted fund appropriations with the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet. Such actions and approvals shall be reported simultaneously, in writing, to the Interim Joint Committee on Appropriations and Revenue. Changes in user fee amounts not requiring revised administration regulations shall be reported 30 days prior to the effective date of the change, in writing, to the Interim Joint Committee on Appropriations and Revenue and include the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet.

Any authorizations in the Appropriation Act with respect to transfer, increase, or decrease of appropriated funds for the Cabinet for Human Resources shall be in accordance with the General Provisions of the Appropriations Act.

53. COMMISSION FOR HANDICAPPED CHILDREN

	1992-93	1993-94
General Fund	7,895,000	7,995,000
Restricted Funds	1,545,000	1,591,400
Federal Funds	4,134,800	4,134,800
Total	13,574,800	13,721,200

54. COMMISSION FOR HEALTH ECONOMICS CONTROL IN KENTUCKY

	1992-93	1993-94
General Fund	423,000	423,000
Restricted Funds	152,700	116,700
Total	575,700	539,700

TOTAL - HUMAN RESOURCES CABINET

	1991-92	1992-93	1993-94
General Fund		864,747,800	***1,163,978,900*** [~~952,078,900~~]
Restricted Funds	1,400,000	***332,914,100*** [~~332,976,600~~]	***136,713,600*** [~~348,940,600~~]
Federal Funds		***2,573,196,900*** [~~2,573,259,400~~]	***2,768,829,500*** [~~2,769,156,500~~]
TOTAL	1,400,000	***3,770,858,800*** [~~3,770,983,800~~]	***4,069,522,000*** [~~4,070,176,000~~]

Section 21. 1992 Kentucky Acts Chapter 462, Part I, Section L at page 1994, is amended to read as follows:

L. REVENUE

75. REVENUE CABINET

a. Department of Administrative Services

	1991-92	1992-93	1993-94
General Fund	150,000	15,469,400	16,097,800
Restricted Funds		122,500	55,000
Total	150,000	15,591,900	16,152,800

Notwithstanding the provisions of KRS 136.392(b), the insurance surcharge rate shall be adjusted to a rate calculated to provide sufficient funds for the 1992-94 enacted budgets, including the administration of training programs, pay supplements prescribed by statute and debt service for the respective program funds specified in KRS 95A.220 and KRS 15.430 fiscal year 1992-93 and fiscal year 1993-94. The calculation of sufficient funds in the enacted budgets, shall include any restricted fund carry forwards from fiscal years 1992, 1993, and 1994, provided by the General Assembly in this Act. Appropriations budgeted for transfer to the General Fund in accordance with the provisions of Part V of this Act shall also be included.

b. Property Valuation Administrators

	1992-93	1993-94
General Fund	16,161,200	15,615,900
Restricted Funds	2,096,800	1,955,200
Total	18,258,000	17,571,100

Included in the above General Fund appropriation is $1,500,000 in fiscal year 1992-93 and $500,000 in fiscal year 1993-94 for continuation of the Emergency Assessment Program to be administered by the Department of Property Taxation. Any balance at the end of fiscal year 1992-93 shall not lapse, but shall be carried forward for the completion of this program.

c. Department of Tax Compliance

	1992-93	1993-94
General Fund	19,047,100	20,517,400
Road Fund	1,000,000	1,000,000
Restricted Funds	***2,519,300*** [~~2,456,800~~]	***1,579,400*** [~~1,252,400~~]
Federal Funds	***62,500***	***327,000***
Total	***22,628,900*** [~~22,503,900~~]	***23,423,800*** [~~22,769,800~~]

The Road Funds appropriated above represent the cost of the Road Fund Compliance Programs within the Revenue Cabinet including six additional permanent full-time employees and are to be used exclusively for that purpose.

Notwithstanding the provision of KRS 365.390, the accumulated balance in the Cigarette Enforcement Agency Fund Account is hereby appropriated for any lawful tax compliance activity.

d. Department of Property Taxation

	1991-92	1992-93	1993-94
General Fund	975,500	5,428,100	5,557,700
Road Fund		250,000	250,000
Restricted Funds		354,000	254,000
Total	975,500	6,032,100	6,061,700

The Road Funds appropriated above represent the road fund portion of the costs of the Motor Vehicle Property Tax program and are to be used exclusively for that purpose. In accordance with the provisions of KRS 134.400 it is the intent of the General Assembly to establish the Delinquent Tax Fund in the Department of Property Taxation. Proceeds shall be deposited to this account according to KRS 134.400 except that the first $100,000 shall be deposited exclusively to the General Fund.

TOTAL - REVENUE CABINET

	1991-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund		1,250,000	1,250,000
Restricted Funds		***5,092,600*** [~~5,030,100~~]	***3,843,600*** [~~3,516,600~~]
Federal Funds		***62,500***	***327,000***
TOTAL	1,125,500	***62,510,900*** [~~62,385,900~~]	***63,209,400*** [~~62,555,400~~]

76. KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION

	1991-92	1992-93	1993-94
Restricted Funds		133,782,200	145,061,700

TOTAL REVENUE

	1991-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund		1,250,000	1,250,000
Restricted Funds		***138,874,800*** [~~138,812,300~~]	***148,905,300*** [~~148,578,300~~]
Federal Funds		***62,500***	***327,000***
TOTAL	1,125,500	***196,293,100*** [~~196,168,100~~]	***208,271,100*** [~~207,617,100~~]

Section 22. To the extent that 1992 Kentucky Acts Chapter 459, the 1992-94 State/Executive Branch Budget Memorandum, is in conflict with Section 20 or 21 of this Act, the conflicting provision of 1992 Kentucky Acts Chapter 459 is superseded by the provision of Section 20 or 21 of this Act, which shall control.

Section 23. The following KRS sections are repealed, effective April 1, 1993:

205.576 Assessment of cost-based providers - Use of assessments - Return to providers - Appeals

205.577 Assessment of medical providers - Use of assessments - Return to providers - Appeals

Section 24. The following KRS sections are repealed, effective June 30, 1993:

205.575 Hospital indigent care assurance program

205.578 Legislative review of medical assessment improvement trust fund expenditures and transfers

Section 25. It is the express intent of the General Assembly in enacting Section 23 of this Act that the repeals of KRS 205.576 and 205.577 be retroactive to April 1, 1993.

Section 26. Whereas the tax currently levied and used as a funding source for the medicaid program is invalid as of July 1, 1993, the tax levied under the provisions of this Act is for the purpose of conforming to federal requirements and is to be used as a source of funding for the medicaid program.

Section 27. Whereas it is essential that the Commonwealth continues to receive maximum federal participation in its medical assistance program, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

The Committee on Appropriations and Revenue reported **HB 3** with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 3, AN ACT relating to public assistance and medical assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 205.560 is amended to read as follows:

(1) The scope of medical care for which the Cabinet for Human Resources undertakes to pay shall be designated and limited by regulations promulgated by the cabinet, pursuant to the provisions in this section. Within the limitations of any appropriation therefor, the provision of complete upper and lower dentures to recipients of Medical Assistance Program benefits who have their teeth removed by a dentist resulting in the total absence of teeth shall be a mandatory class in the scope of medical care. Payment to a dentist of any Medical Assistance Program benefits for complete upper and lower dentures shall only be provided on the condition of a preauthorized agreement between an authorized representative of the Medical Assistance Program and the dentist prior to the removal of the teeth. The selection of another class or other classes of medical care shall be recommended by the council to the secretary for Human Resources after taking into consideration, among other things, the amount of federal and state funds available, the most essential needs of recipients, and the meeting of such need on a basis insuring the greatest amount of medical care as defined in KRS 205.510 consonant with the funds available, including, but not limited to, the following categories, except where the aid is for the purpose of obtaining an abortion:

(a) Hospital care, including drugs, and medical supplies and services during any period of actual hospitalization;

(b) Nursing home care, including medical supplies and services, and drugs during confinement therein on prescription of a physician, dentist, or podiatrist;

(c) Drugs, nursing care, medical supplies, and services during the time when a recipient is not in a hospital but is under treatment and on the prescription of a physician, dentist, or podiatrist;

(d) Physician, podiatric, and dental services;

(e) Optometric services for all age groups shall be limited to prescription services, services to frames and lenses, and diagnostic services provided by an optometrist, to the extent the optometrist is licensed to perform the services and to the extent the services are covered in the ophthalmologist portion of the physician's program. Eyeglasses shall be provided only to children under age twenty-one (21);

(f) Drugs on the prescription of a physician used to prevent the rejection of transplanted organs if the patient is indigent;

(g) Nonprofit neighborhood health organizations or clinics where some or all of the medical services are provided by licensed registered nurses or by advanced medical students presently enrolled in a medical school accredited by the Association of American Medical Colleges and where the students or licensed registered nurses are under the direct supervision of a licensed physician who rotates his services in this supervisory capacity between two (2) or more of the nonprofit neighborhood health organizations or clinics specified herein;

(h) Services provided by health care delivery networks as defined in KRS 216.900; and

(i) Services provided by midlevel health care practitioners as defined in KRS 216.900.

(2) Payments for hospital care, nursing home care, and drugs or other medical, ophthalmic, podiatric, and dental supplies shall be on bases which relate the amount of the payment to the cost of providing the services or supplies. It shall be one (1) of the functions of the council to make recommendations to the Cabinet for Human Resources with respect to the bases for payment. In determining the rates of reimbursement for long-term care facilities participating in the Medical Assistance Program, the Cabinet for Human Resources shall, to the extent permitted by federal law, not allow the following items to be considered as a cost to the facility for purposes of reimbursement:

(a) Motor vehicles that are not owned by the facility, including motor vehicles that are registered or owned by the facility but used primarily by the owner or family members thereof;

(b) The cost of motor vehicles, including vans or trucks, used for facility business shall be allowed up to fifteen thousand dollars ($15,000) per facility, adjusted annually for inflation according to the increase in the consumer price index-u for the most recent twelve (12) month period, as determined by the U. S. Department of Labor. Medically equipped motor vehicles, vans or trucks shall be exempt from the fifteen thousand dollar ($15,000) limitation. Costs exceeding this limit shall not be reimbursable and shall be borne by the facility. Costs for additional motor vehicles, not to exceed a total of three (3) per facility, may be approved by the Cabinet for Human Resources if the facility demonstrates that each additional vehicle is necessary for the operation of the facility as required by regulations of the cabinet;

(c) Salaries paid to immediate family members of the owner or administrator, or both, of a facility, to the extent that services are not actually performed and are not a necessary function as required by regulation of the cabinet for the operation of the facility. The facility shall keep a record of all work actually performed by family members;

(d) The cost of contracts, loans, or other payments made by the facility to owners, administrators or both, unless the payments are for services which would otherwise be necessary to the operation of the facility and the services are required by regulations of the Cabinet for Human Resources. Any other payments shall be deemed part of the owner's compensation in accordance with maximum limits established by regulations of the Cabinet for Human Resources. Interest paid to the facility for loans made to a third party may be used to offset allowable interest claimed by the facility;

(e) Private club memberships for owners or administrators, travel expenses for trips outside the state for owners or administrators, and other indirect payments made to the owner, unless the payments are deemed part of the owner's compensation in accordance with maximum limits established by regulations of the Cabinet for Human Resources; and

(f) Payments made to related organizations supplying the facility with goods or services shall be limited to the actual cost of the goods or services to the related organization, unless it can be demonstrated that no relationship between the facility and the supplier exists. A relationship shall be considered to exist when an individual, including brothers, sisters, father, mother, aunts, uncles, and in-laws, possesses a total of five percent (5%) or more of ownership equity in the facility and the supplying business. An exception to the relationship shall exist if fifty-one percent (51%) or more of the supplier's business activity of the type carried on with the facility is transacted with persons and organizations other than the facility and its related organizations.

(3) No vendor payment shall be made unless the class and type of medical care rendered and the cost basis therefor has first been designated by regulation.

(4) The rules and regulations of the Cabinet for Human Resources shall require that a written statement, including the required opinion of a physician, shall accompany any claim for reimbursement for induced premature births. This statement shall indicate the procedures used in providing the medical services.

(5) The range of medical care benefit standards provided and the quality and quantity standards and the methods for determining cost formulae for vendor payments within each category of public assistance and other recipients shall be uniform for the entire state, and shall be designated by regulation promulgated within the limitations established by the Social Security Act and federal regulations. It shall not be necessary that the amount of payments for units of services be uniform for the entire state but amounts may vary from county to county and from city to city, as well as among hospitals, based on the prevailing cost of medical care in each locale and other local economic and geographic conditions, except that insofar as allowed by applicable federal law and regulation, the maximum amounts reimbursable for similar services rendered by physicians within the same specialty of medical practice shall not vary according to the physician's place of residence or place of practice, as long as the place of practice is within the boundaries of the state.

(6) Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death.

(7) To the extent permitted by federal law, no medical assistance recipient shall be recertified as qualifying for a level of long-term care below the recipient's current level, unless the recertification includes a physical examination conducted by a physician licensed pursuant to KRS Chapter 311 or by an advance registered nurse practitioner licensed pursuant to KRS Chapter 314 and acting under the physician's supervision.

(8) If payments made to community mental health centers, established pursuant to KRS Chapter 210, for services provided to the mentally retarded exceed the actual cost of providing the service, the balance of the payments shall be used solely for the provision of other services to the mentally retarded through community mental health centers.

(9) No long-term care facility, as defined in KRS 216.510, providing inpatient care to recipients of medical assistance under Title XIX of the Social Security Act on July 15, 1986, shall deny admission of a person to a bed certified for reimbursement under the provisions of the Medical Assistance Program solely on the basis of the person's paying status as a medicaid recipient. No person shall be removed or discharged from any facility solely because they became eligible for participation in the Medical Assistance Program, unless the facility can demonstrate the resident or the resident's responsible party was fully notified in writing that the resident was being admitted to a bed not certified for medicaid reimbursement. No facility may decertify a bed occupied by a medicaid recipient or may decertify a bed that is occupied by a resident who has made application for medical assistance.

(10) Family practice physicians practicing in geographic areas with no more than one (1) primary care physician per five thousand (5,000) population, as reported by the United States Department of Health and Human Services, shall be reimbursed one hundred twenty-five percent (125%) of the standard reimbursement rate for physician services.

(11) For purposes of establishing the standard reimbursement rate for physician services under the Kentucky Medical Assistance Program, the Cabinet for Human Resources shall recognize the varying overhead costs associated with different areas of specialty.

The Committee Substitute to **HB 3** is as follows:

HB 3, AN ACT relating to public assistance and medical assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 205.560 is amended to read as follows:

(1) The scope of medical care for which the Cabinet for Human Resources undertakes to pay shall be designated and limited by regulations promulgated by the cabinet, pursuant to the provisions in this section. Within the limitations of any appropriation therefor, the provision of complete upper and lower dentures to recipients of Medical Assistance Program benefits who have their teeth removed by a dentist resulting in the total absence of teeth shall be a mandatory class in the scope of medical care. Payment to a dentist of any Medical Assistance Program benefits for complete upper and lower dentures shall only be provided on the condition of a preauthorized agreement between an authorized representative of the Medical Assistance Program and the dentist prior to the removal of the teeth. The selection of another class or other classes of medical care shall be recommended by the council to the secretary for Human Resources after taking into consideration, among other things, the amount of federal and state funds available, the most essential needs of recipients, and the meeting of such need on a basis insuring the greatest amount of medical care as defined in KRS 205.510 consonant with the funds available, including, but not limited to, the following categories, except where the aid is for the purpose of obtaining an abortion:

(a) Hospital care, including drugs, and medical supplies and services during any period of actual hospitalization;

(b) Nursing home care, including medical supplies and services, and drugs during confinement therein on prescription of a physician, dentist, or podiatrist;

(c) Drugs, nursing care, medical supplies, and services during the time when a recipient is not in a hospital but is under treatment and on the prescription of a physician, dentist, or podiatrist;

(d) Physician, podiatric, and dental services;

(e) Optometric services for all age groups shall be limited to prescription services, services to frames and lenses, and diagnostic services provided by an optometrist, to the extent the optometrist is licensed to perform the services and to the extent the services are covered in the ophthalmologist portion of the physician's program. Eyeglasses shall be provided only to children under age twenty-one (21);

(f) Drugs on the prescription of a physician used to prevent the rejection of transplanted organs if the patient is indigent;

(g) Nonprofit neighborhood health organizations or clinics where some or all of the medical services are provided by licensed registered nurses or by advanced medical students presently enrolled in a medical school accredited by the Association of American Medical Colleges and where the students or licensed registered nurses are under the direct supervision of a licensed physician who rotates his services in this supervisory capacity between two (2) or more of the nonprofit neighborhood health organizations or clinics specified herein;

(h) Services provided by health care delivery networks as defined in KRS 216.900; and

(i) Services provided by midlevel health care practitioners as defined in KRS 216.900.

(2) Payments for hospital care, nursing home care, and drugs or other medical, ophthalmic, podiatric, and dental supplies shall be on bases which relate the amount of the payment to the cost of providing the services or supplies. It shall be one (1) of the functions of the council to make recommendations to the Cabinet for Human Resources with respect to the bases for payment. In determining the rates of reimbursement for long-term care facilities participating in the Medical Assistance Program, the Cabinet for Human Resources shall, to the extent permitted by federal law, not allow the following items to be considered as a cost to the facility for purposes of reimbursement:

(a) Motor vehicles that are not owned by the facility, including motor vehicles that are registered or owned by the facility but used primarily by the owner or family members thereof;

(b) The cost of motor vehicles, including vans or trucks, used for facility business shall be allowed up to fifteen thousand dollars ($15,000) per facility, adjusted annually for inflation according to the increase in the consumer price index-u for the most recent twelve (12) month period, as determined by the U. S. Department of Labor. Medically equipped motor vehicles, vans or trucks shall be exempt from the fifteen thousand dollar ($15,000) limitation. Costs exceeding this limit shall not be reimbursable and shall be borne by the facility. Costs for additional motor vehicles, not to exceed a total of three (3) per facility, may be approved by the Cabinet for Human Resources if the facility demonstrates that each additional vehicle is necessary for the operation of the facility as required by regulations of the cabinet;

(c) Salaries paid to immediate family members of the owner or administrator, or both, of a facility, to the extent that services are not actually performed and are not a necessary function as required by regulation of the cabinet for the operation of the facility. The facility shall keep a record of all work actually performed by family members;

(d) The cost of contracts, loans, or other payments made by the facility to owners, administrators or both, unless the payments are for services which would otherwise be necessary to the operation of the facility and the services are required by regulations of the Cabinet for Human Resources. Any other payments shall be deemed part of the owner's compensation in accordance with maximum limits established by regulations of the Cabinet for Human Resources. Interest paid to the facility for loans made to a third party may be used to offset allowable interest claimed by the facility;

(e) Private club memberships for owners or administrators, travel expenses for trips outside the state for owners or administrators, and other indirect payments made to the owner, unless the payments are deemed part of the owner's compensation in accordance with maximum limits established by regulations of the Cabinet for Human Resources; and

(f) Payments made to related organizations supplying the facility with goods or services shall be limited to the actual cost of the goods or services to the related organization, unless it can be demonstrated that no relationship between the facility and the supplier exists. A relationship shall be considered to exist when an individual, including brothers, sisters, father, mother, aunts, uncles, and in-laws, possesses a total of five percent (5%) or more of ownership equity in the facility and the supplying business. An exception to the relationship shall exist if fifty-one percent (51%) or more of the supplier's business activity of the type carried on with the facility is transacted with persons and organizations other than the facility and its related organizations.

(3) No vendor payment shall be made unless the class and type of medical care rendered and the cost basis therefor has first been designated by regulation.

(4) The rules and regulations of the Cabinet for Human Resources shall require that a written statement, including the required opinion of a physician, shall accompany any claim for reimbursement for induced premature births. This statement shall indicate the procedures used in providing the medical services.

(5) The range of medical care benefit standards provided and the quality and quantity standards and the methods for determining cost formulae for vendor payments within each category of public assistance and other recipients shall be uniform for the entire state, and shall be designated by regulation promulgated within the limitations established by the Social Security Act and federal regulations. It shall not be necessary

that the amount of payments for units of services be uniform for the entire state but amounts may vary from county to county and from city to city, as well as among hospitals, based on the prevailing cost of medical care in each locale and other local economic and geographic conditions, except that insofar as allowed by applicable federal law and regulation, the maximum amounts reimbursable for similar services rendered by physicians within the same specialty of medical practice shall not vary according to the physician's place of residence or place of practice, as long as the place of practice is within the boundaries of the state.

(6) Nothing in this section shall be deemed to deprive a woman of all appropriate medical care necessary to prevent her physical death.

(7) To the extent permitted by federal law, no medical assistance recipient shall be recertified as qualifying for a level of long-term care below the recipient's current level, unless the recertification includes a physical examination conducted by a physician licensed pursuant to KRS Chapter 311 or by an advance registered nurse practitioner licensed pursuant to KRS Chapter 314 and acting under the physician's supervision.

(8) If payments made to community mental health centers, established pursuant to KRS Chapter 210, for services provided to the mentally retarded exceed the actual cost of providing the service, the balance of the payments shall be used solely for the provision of other services to the mentally retarded through community mental health centers.

(9) No long-term care facility, as defined in KRS 216.510, providing inpatient care to recipients of medical assistance under Title XIX of the Social Security Act on July 15, 1986, shall deny admission of a person to a bed certified for reimbursement under the provisions of the Medical Assistance Program solely on the basis of the person's paying status as a medicaid recipient. No person shall be removed or discharged from any facility solely because they became eligible for participation in the Medical Assistance Program, unless the facility can demonstrate the resident or the resident's responsible party was fully notified in writing that the resident was being admitted to a bed not certified for medicaid reimbursement. No facility may decertify a bed occupied by a medicaid recipient or may decertify a bed that is occupied by a resident who has made application for medical assistance.

(10) Family practice physicians practicing in geographic areas with no more than one (1) primary care physician per five thousand (5,000) population, as reported by the United States Department of Health and Human Services, shall be reimbursed one hundred twenty-five percent (125%) of the standard reimbursement rate for physician services.

(11) For purposes of establishing the standard reimbursement rate for physician services under the Kentucky Medical Assistance Program, the Cabinet for Human Resources shall recognize the reasonable and appropriate varying overhead costs associated with different areas of specialty.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended for a report of the Committee on Rules. Agreed.

Report of Committees

The Committee on Rules reported that **HB 2** has been posted for passage in the Orders of the Day for May 14, 1993

The Committee on Rules reported that the following Bill has been recommitted:

Appropriations and Revenue: **HB 1**

Motions, Petitions and Communications

Representative Ward moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 6, by Representative Ward: A RESOLUTION adjourning the House of Representatives in memory of Alfred J. Reilly.

Representative Ward moved the adoption of the following **HR 6**:

HR 6, A RESOLUTION adjourning the House of Representatives in memory of Alfred J. Reilly.

WHEREAS, in loving tribute we pay homage to the memory of Alfred J. Reilly; and

WHEREAS, Alfred J. Reilly crossed that final bourne from which no traveler returns at the age of eighty-seven, on Saturday, April 24, 1993; and

WHEREAS, Alfred J. Reilly was a retired employee of the old Schuhmann Printing Company and a valued member of the Saint Francis of Assisi Booster Club and the Saint Joseph Orphans Society; and

WHEREAS, those fortunate enough to have known and loved Alfred J. Reilly will sorely miss his compassion, kindness, concern for others, and wise counsel; and

WHEREAS, Alfred J. Reilly earned the respect, admiration, and esteem of all whom he encountered, rendering unto each unfailing kind words;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does hereby express its sorrow upon the death of Alfred J. Reilly and does extend to his daughters Judy R. Johnson, Mary Lynn Ryan, and Jane R. Kennedy; to his sons David B. Reilly and Steve Reilly; to his sister Helen R. Campbell; and to his eight grandchildren its most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day, it does so in memory of Alfred J. Reilly.

Section 3. That the Clerk of the House of Representatives is directed to transmit six copies of this Resolution to Steve Reilly, 1957 Richmond Drive, Louisville, Kentucky 40205.

HR 6 was adopted by voice vote.

Representative Mason moved that the rules be suspended for the introduction of guests. Agreed.

Representative Barrows moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Barrows moved the adoption of the following Legislative Citation No. 1. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby salutes MACKENZIE MILLER upon the occasion of training Sea Hero, the 1993 winner in the 119th Kentucky Derby.

Your extraordinary ability to train some of the finest horses in history has earned you recognition in the 1987 Racing Hall of Fame, and ultimately the winning Circle of Roses in the 1993 Kentucky Derby.

This honorable body would like to join Representative Joe Barrows in saluting you, Mackenzie Miller, World Class Championship Horse Trainer, and wishing you continued success.

On the roll call the vote was yeas 85—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Lyne, Maggard, Mason, Moberly, Morris, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rasche, Reinhardt, Richards, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Announcements

The Clerk announced the following meetings.

Health and Welfare, thirty minutes upon adjournment, May 12, 1993.

Counties and Special Districts, 12:30 p.m., May 13, 1993, Room 131.

Cities and Local Government, upon adjournment of the Senate, May 13, 1993. The 10:00 a.m. meeting for May 13, 1993 was cancelled.

Educational Seminar on the Health Care Bill, thirty minutes upon adjournment, May 13, 1993, Room 129.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Thursday, May 13, 1993.

On the roll call the vote was yeas 73—Adams, Adkins, Allen, Altman, Arnold, Barrows, Bentley, Bowling, Brown, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Donnermeyer, Farley, Farrow, Ford, Fox, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Keith, Kerr, Lear, Lewis, Lindsay, Lyne, Maggard, Moberly, Morris, Napier, Nelson, Noland, Northup, Nunn, Palumbo, Rapier, Rasche, Richards, Riner, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 3—Heleringer, LeMaster, Lile.

The motion to adjourn was adopted.

THURSDAY, MAY 13, 1993

FOURTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Dr. Howard Beauman, First Baptist Church, Paris.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bryant, Butler, Deskins, Heleringer, Lyne, Ridley and R. Smith.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 12, 1993 be dispensed with and the same approved. Agreed.

Representative Riner moved that the rules be suspended to allow floor privileges to special guests and to introduce and act upon a Resolution. Agreed.

HR 8, by Representatives Riner and LeMaster: A RESOLUTION adjourning the House of Representatives in honor of Millersburg Military Institute upon the occasion of its one-hundredth anniversary

Representative Riner moved the adoption of the following **HR 8**:

HR 8, A RESOLUTION adjourning the House of Representatives in honor of Millersburg Military Institute upon the occasion of its one-hundredth anniversary.

WHEREAS, Colonel C. M. Best established Millersburg Military Institute in Millersburg, Bourbon County, Kentucky in 1893; and

WHEREAS, M.M.I. has long been recognized as a hallmark of academic excellence; and

WHEREAS, while attending M.M.I., cadets develop a strong sense of right, duty, and honor toward God; their fellowman; and their country; and

WHEREAS, the faculty of M.M.I. have strived to maintain the importance of passing truth from one generation to the next and encouraging cadets to grow in character as well as knowledge; and

WHEREAS, M.M.I., which has included, through the years, many students from other countries, has established an international reputation for high standards of achievement in education and character development; and

WHEREAS, M.M.I. will graduate its one-hundredth class at 1:00 p.m. on Saturday, May 22, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives proudly recognizes the standard of academic excellence and character development established by Millersburg Military Institute since 1893.

Section 2. That this honorable body salutes Millersburg Military Institute for its outstanding accomplishments over the past one hundred years and wishes success to the faculty and cadets in all future endeavors.

Section 3. That when the House of Representatives adjourns this thirteenth day of May in the year of our Lord, 1993, it does so in honor of Millersburg Military Institute.

Section 4. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to Colonel James Vicars, President, Millersburg Military Institute, Millersburg, Kentucky 40348.

HR 8 was adopted by voice vote.

Representative Riner moved that a call of the roll be taken to show co-sponsors of **HR 8**. Agreed.

On the roll call the vote was yeas 82—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lee, LeMaster, Lewis, Lile, Little, Maggard, Mason, Moberly, Morris, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Yates, Zimmerman. Nays 0.

Introduction of Bills and Resolutions

HR 7, by Representative Stacy: A RESOLUTION honoring the Morehead State University varsity cheerleaders.

Posting of Bills and Resolutions for Consideration

The Clerk announced that the following Bills have been posted for committee consideration:

Health and Welfare: **HB 5, HB 6, HB 7**

Calendar

HB 3 taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Stumbo moved that the rules be suspended for a report of the Committee on Rules. Agreed.

Report of Committees

The Committee on Rules reported that **HB 3** has been posted for passage in the Orders of the Day for May 17, 1993.

Motions, Petitions and Communications

Representative Stumbo moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 8, by Representatives Mason and Bentley: AN ACT relating to taxation and declaring an emergency.

Motions, Petitions and Communications (Continued)

Representative Damron moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Damron moved the adoption of the following Legislative Citation No. 2. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors and recognizes THE HONORABLE, JUDGE WILLIAM NEAL CASSITY for your work in obtaining funding for the new Health Department.

NOW BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE COMMONWEALTH OF KENTUCKY, that the exceptional accomplishments of Judge William Neal Cassity, be recognized and commended. We are honored to join his many colleagues, the community and the state of Kentucky in appreciation for his tireless efforts in obtaining funding for the new Health Department.

Floor Amendments

Floor Amendment No. 1 to the Committee Substitute to **HB 3**, by Representative Hancock:

Amend printed copy of **HB 3/HCS** as follows:

On page 9, line 8, after the word "***costs***" by inserting the following language: "***, excluding those costs not associated with the provision of medical services,***".

Motions, Petitions and Communications (Continued)

Representative Collins moved that the rules be suspended for the introduction of guests. Agreed.

Announcements

The Clerk announced the following meetings:

Appropriations and Revenue, 9:00 a.m., May 14, 1993

Counties and Special Districts, 1:00 p.m. instead of 12:30 p.m.

Health and Welfare, 1:30 p.m., May 13, 1993, Room 149.

Educational Seminar, 30 minutes upon adjournment, May 13, 1993, Room 129.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Friday, May 14, 1993.

On the roll call the vote was yeas 86—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Bentley, Bowling, Brown, Bruce, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, Lewis, Little, Long, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 2—LeMaster, Lile. (Sponsored by Representative Damron)

The motion to adjourn was adopted.

FRIDAY, MAY 14, 1993

FIFTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Chris Kurtz, Family Minister, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bryant, Butler, Farrow, Geveden, Little, McElroy, Nelson, Rasche, Ridley, B. R. Smith and R. Smith.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 13, 1993 be dispensed with and the same approved. Agreed.

Floor Amendments

Floor Amendment No. 2 to the Committee Substitute to **HB 3**, by Representative Barrows:

Amend printed copy of **HB 3/HCS** as follows:

On page 9, after line 9, by adding the following language:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

The Department of Medicaid Services shall reimburse hospitals, based on total charges, through a disproportionate share plan, for care rendered to medicaid recipients in excess of medicaid program coverage limitations, indigent persons that the hospital has determined do not have sufficient resources to pay for their care, and indigent bad debt, in the amount of forty percent (40%) of total hospital bad debt. The department shall promulgate administrative regulations necessary to assure these payments."

Introduction of Bills and Resolutions

HR 9, by Representatives Crenshaw, Gray, Scorsone, Palumbo, Trapp, LeMaster, Hatcher, Lear, Ward, Shacklette, Stengel, Graham and Burch: A RESOLUTION adjourning in loving memory of William Hobbs Childress.

HR 10, by Representatives Napier and Moberly: A RESOLUTION adjourning the House of Representatives in loving memory and honor of D. Ival James.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill:

Appropriations and Revenue: **HB 8**

Report of Committees

The Committee on Appropriations and Revenue reported **HB 1** with Committee Substitute No. 2 attached thereto, with the expression of opinion that the same should pass. Ordered referred to the Committee on Rules.

HB 1, AN ACT relating to taxation and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 19 of this Act:

(1) "Cabinet" means the Cabinet for Human Resources;

(2) "Health care items or services" means items or services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation;

(3) "Health maintenance organization" or "HMO" means an organization established and operated pursuant to the provisions of Subtitle 38 of KRS Chapter 304;

(4) "Hospital" means an acute care hospital licensed under KRS Chapter 216B;

(5) "Medicaid" means the state program of medical assistance as administered by the cabinet in compliance with 42 U.S.C. Sec. 1936;

(6) The terms "inpatient hospital services," "outpatient hospital services," "nursing facility services," "intermediate care facility services for the mentally retarded," "physician services," "home health care services," and "outpatient prescription drugs" have the same meaning as set forth in regulations promulgated by the Secretary of the Department of Health and Human Services pursuant to the authority granted under 42 U.S.C. Sec. 1302.

(7) "Secretary" means the secretary of the Cabinet for Human Resources or that person's authorized representative;

(8) "Provider" means any individual or entity providing health care items or services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation, excluding facilities operated by the federal government;

(9) "Revenue secretary" means the secretary of the Revenue Cabinet or that person's authorized representative; and

(10) "Gross revenues" means the total amount received in money or otherwise by providers for the provision of health care items or services in Kentucky, less the following:

(a) Amounts received by any provider as an employee or independent contractor from another provider for the provision of health care items or services on behalf of the paying provider if:

1. The paying provider receives revenue attributable to health care items or services provided by the employee or independent contractor receiving payment; and

2. The paying provider is subject to the tax imposed by Section 2 or 3 of this Act on the receipt of such revenue; and

(b) Amounts received as a grant or donation by any provider from federal, state, or local government or from an organization recognized as exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code for research or for administrative or operating costs associated with the implementation and operation of an experimental program.

SECTION 2. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed on all hospitals providing health care items or services at a rate of two and one-half percent (2.5%) of the gross revenues received on or after July 1, 1993, for the provision of health care items or services.

SECTION 3. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed on the gross revenues received on or after July 1, 1993, for the provision of nursing facility services, intermediate care facility services for the mentally retarded, physician services, home health care services, health maintenance organization services, and the provision of any other specific health care items or services that federal legislation or regulation permits the state to tax, and which the Secretary includes through the issuance of an administrative regulation promulgated pursuant to the authority granted in Section 6 of this Act, at a rate of two percent (2%) of the gross revenues received by each provider for the provision of health care items or services.

SECTION 4. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed at the rate of twenty-five cents ($0.25) per prescription upon outpatient prescription drugs for which actual payment is received in this state on or after July 1, 1993.

SECTION 5. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

The taxes imposed by Sections 2, 3, and 4 of this Act shall not be passed on by the provider to the recipient of the taxable items or services.

SECTION 6. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions establishing rates set forth in Sections 2, 3, and 4 of this Act, it is the intent of the General Assembly to take full advantage of all federal funds that may be available to provide medical assistance to the citizens of the Commonwealth. To insure that the opportunities of the Commonwealth in this regard are maximized, the secretary shall have the authority to make the following adjustments to the tax rates imposed under Sections 2, 3, and 4 of this Act:

(a) During any period that federal legislation or regulation causes a reduction of federal financial participation in the state's medicaid program if state revenues from provider donations or taxes exceed a specified level, the secretary shall review, at the close of each fiscal quarter, the rate of taxation and revenue generated by the taxes imposed under Sections 2, 3, and 4 of this Act. The secretary shall proportionally reduce the rates set forth in Sections 2, 3, and 4 of this Act, or the rates in effect, as the case may be, if a reduction is necessary to maintain full federal financial participation in the state's medicaid program. If the rates set forth in Sections 2, 3, and 4 of this Act, or the rates in effect, as the case may be, are less than the rates necessary to generate sufficient funds to maximize the federal financial participation in the state's medical assistance program, the secretary shall proportionally increase the rates set forth in Sections 2, 3, and 4 of this Act, or in effect, as the case may be, up to a maximum of six percent (6%) of gross revenues for the taxes imposed under Sections 2 and 3 of this Act, and up to a maximum of thirty-five cents ($0.35) for the tax imposed under Section 4 of this Act. Any rate change made pursuant to this subsection shall be effective for the fiscal quarter following the fiscal quarter in which the rate change is announced, as provided in Section 16 of this Act. Provided, that any increase in the rates established by Sections 2, 3, and 4 of this Act prior to April 1, 1994 shall not be effective until April 1, 1994. Notification of any rate change shall be made pursuant to the provisions of Section 16 of this Act.

(b) During any period that there is no federal cap imposed on the amount that may be generated through the imposition of a provider tax, the rates established in Sections 2, 3, and 4 of this Act shall apply, and the secretary shall have no authority to adjust the rates.

(2) It is the intent of the General Assembly that the taxes imposed by Sections 2, 3, and 4 of this Act apply to all health care items and services permitted to be taxed under federal law. Therefore, if, subsequent to the enactment of Sections 1 to 19 of this Act, the federal government, through legislation or regulation, includes additional health care items or services among those that may be taxed, the secretary shall, by administrative regulation, include the added items or services to the list of items or services subject to the tax imposed under Section 3 of this Act. If, subsequent to the enactment of Sections 1 to 19 of this Act, the federal government removes health care items or services from the list of items or services that may be taxed, the secretary shall, by administrative regulation, remove those same items or services from the list of items or services subject to the tax imposed under Section 2, 3, or 4 of this Act. Any health care items or services included by the secretary shall be subject to taxation in the same manner as the items and services specifically listed in Section 3 of this Act. Any health care items or services included by the secretary shall first be subject to taxation in the fiscal quarter following the quarter in which the administrative regulation adding the items or services becomes final.

SECTION 7. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Every provider subject to the taxes imposed by Section 2, 3, or 4 of this Act at the time of enactment shall, on or before July 1, 1993, file an application for a certificate of registration with the Revenue Cabinet. Every provider subject to taxation pursuant to an administrative regulation promulgated by the secretary shall file an application for a certificate of registration with the Revenue Cabinet within thirty (30) days of the date the administrative regulation becomes final. Every provider seeking to provide health care items or services in Kentucky for the first time after the effective date of Sections 1 to 19 of this Act shall, prior to providing such items or services, file an application for a certificate of registration with the Revenue Cabinet. The application shall be in the form prescribed by the Revenue Cabinet. The application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner; in the case of a corporation, by an executive officer or some person specifically authorized by the corporation to sign the application.

SECTION 8. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

The taxes imposed by Sections 2, 3, and 4 of this Act are due and payable to the Revenue Cabinet monthly and shall be remitted on or before the twentieth day of the next succeeding calendar month.

SECTION 9. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) On or before the twentieth day of the month following each calendar month, a return for the preceding month shall be filed with the Revenue Cabinet in the form prescribed by the Revenue Cabinet.

(2) A return shall be filed by every provider. The return shall be signed by the person required to file the return or a duly authorized agent.

(3) The return shall show the gross revenues of the provider during the preceding reporting period. The return shall also show the amount of taxes for the period covered by the return and other information as the Revenue Cabinet and secretary deem necessary for the proper administration of Sections 1 to 19 this Act.

(4) The person required to file the return shall deliver the return, together with a remittance of the amount of the tax due to the Revenue Cabinet.

(5) For the purpose of facilitating the administration, payment or collection of the taxes levied by Sections 2, 3, and 4 of this Act, the Revenue Cabinet may, by administrative regulation, permit or require returns to be filed or tax payments to be made other than as specifically required by Sections 1 to 19 of this Act, except the Revenue Cabinet shall not require or permit returns or payments to be filed or remitted more frequently than monthly, or less frequently than quarterly.

SECTION 10. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) The Revenue Cabinet shall, upon written request received on or prior to the due date of the return or tax, for good cause satisfactory to the Revenue Cabinet, extend the time for filing the return or paying the tax for a period not to exceed thirty (30) days.

(2) Any person for which the extension is granted shall pay, in addition to the tax, interest at the tax interest rate as defined in KRS 131.010(6) from the date on which the tax would otherwise have been due.

SECTION 11. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) As soon as practicable after each return is received, the Revenue Cabinet shall examine it. If the amount of tax computed by the Revenue Cabinet is greater than the amount returned by the taxpayer, the excess shall be assessed by the Revenue Cabinet within four (4) years from the later of the date the return was filed or due, except that in the case of a failure to file a return or a fraudulent return, the excess may be assessed at any time. A notice of assessment shall be mailed to the provider. The provider and the Revenue Cabinet may agree to extend this time period.

(2) Any provider aggrieved by an action of the Revenue Cabinet may request a review and shall have the rights of appeal as set forth in KRS Chapter 131.

(3) Notwithstanding the four (4) year time limitation set forth is subsection (1), in the case of a return where the taxpayer understates gross revenues by twenty-five percent (25%) or more, the excess shall be assessed by the Revenue Cabinet within six (6) years from the later of the date the return is due or filed.

SECTION 12. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In making a determination of tax liability the Revenue Cabinet may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on the underpayments.

SECTION 13. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Every provider shall keep records, receipts, invoices, and other pertinent papers in the form as the Revenue Cabinet may require.

(2) Every provider who files the returns required under Section 9 of this Act shall keep records for not less than six (6) years from the making of records unless the Revenue Cabinet in writing authorizes their destruction at an earlier date.

SECTION 14. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In every case, any tax not paid on or before the due date shall bear interest at the tax interest rate as defined in KRS 131.010(6) from the date due until the date of payment.

SECTION 15. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(a) Except where the secretary has been granted specific authority in Sections 1 to 19 of this Act, the Revenue Cabinet shall administer the provisions of Sections 1 to 19 of this Act and shall have all of the powers, rights, duties and authority with respect to the assessment, collection, refunding, and administration of the taxes levied by Sections 2, 3, and 4 of this Act, conferred generally by the Kentucky Revised Statutes including Chapters 131, 134 and 135.

(b) The Cabinet shall be responsible for compliance with all federal reporting requirements regarding the taxes imposed by Sections 2, 3, and 4 of this Act.

SECTION 16. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) A report of revenue receipts from the taxes imposed by Sections 2, 3, and 4 of this Act shall be provided on a quarterly basis by the Revenue Cabinet to the secretary on or before the fifteenth day of the second month following the close of each fiscal quarter.

(2) The secretary shall notify the Revenue Cabinet of any rate change no later than the close of the second month following the close of each fiscal quarter.

(3) All providers affected by a rate change shall be notified of the rate change in writing by the Revenue Cabinet. The Revenue Cabinet shall mail notification to affected providers at the address appearing on the most recent return filed by the provider within fifteen (15) days of receipt of notification of the rate change from the secretary.

(4) The secretary shall notify the Revenue Cabinet upon the promulgation of any administrative regulation including or excluding health care items or services from the group of items and services subject to taxation pursuant to Sections 2, 3, and 4 of this Act.

(5) It is the responsibility of each provider, subject to tax under Sections 2, 3, and 4 of this Act, including providers included after the enactment of Sections 1 to 19 of this Act pursuant to an administrative regulation, to register with the Revenue Cabinet, and comply with the tax and reporting provisions of Sections 1 to 19 of this Act.

SECTION 17. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Any provider charged with the filing of returns and payment of the tax imposed by Sections 1 to 19 of this Act may be required to post a cash or corporate surety bond in an amount to be determined by the Revenue Cabinet.

(2) The Commonwealth may bring an action for a restraining order, or a temporary or permanent injunction to restrain or enjoin the operation of a provider's business until the bond is posted. The action may be brought in the Franklin Circuit Court or in the Circuit Court having jurisdiction over the provider.

SECTION 18. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provisions of Sections 1 to 18 of this Act, the president, vice president, secretary, treasurer, or any other person holding any equivalent corporate office of any corporation subject to the provisions of Sections 1 to 19 of this Act shall be personally and individually liable jointly and severally, for the taxes imposed under Sections 2, 3, and 4 of this Act. Neither the corporate dissolution or withdrawal for the corporation from the state nor the cessation of holding any corporate office shall discharge the liability imposed by this section. The personal and individual liability shall apply to each and every person holding a corporate office at the time the taxes become or became due. No person will be personally and individually liable pursuant to this section if that person did not have authority in the management of the business or financial affairs of the corporation at the time the taxes imposed by Sections 2, 3, and 4 of this Act become or became due. "Taxes" as used in this section shall include interest accrued at the rate provided by KRS 131.010(6) and all applicable penalties and fees imposed under the provisions of Sections 1 to 19 of this Act and KRS 131.180 and 131.990.

SECTION 19. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Penalties shall be imposed and assessed in accordance with the provisions of KRS 131.180.

Section 20. 1992 Kentucky Acts Chapter 462, Part I, Section G, at page 1981, is amended to read as follows:

G. HUMAN RESOURCES

52. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

	1992-93	1993-94
General Fund	40,927,500	41,501,900
Restricted Funds	13,754,800	13,524,700
Federal Funds	82,165,200	82,890,100
Total	136,847,500	137,916,700

The Department for Social Insurance shall reimburse citizen members of the Public Assistance Appeals Board an amount not to exceed $75 per day plus travel expenses.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy and/or Medicaid Benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance and of the Department for Medicaid Services. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	80,455,700	86,095,400
Restricted Funds	11,568,700	12,622,500
Federal Funds	186,338,700	193,842,900
Total	278,363,100	292,560,800

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Social Insurance Benefits appropriation to the Department for Medicaid Services Benefits appropriation to avoid a projected deficit provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue.

In no instance shall these excess funds be used to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

Notwithstanding the provisions of KRS 42.560 and KRS 42.570, the amount necessary to supplement federal funds to maintain program levels as appropriated is authorized from the Energy Trust Fund for fiscal year 1992-93 and fiscal year 1993-94 for the LIHEAP and Weatherization programs.

3. Welfare Reform

	1992-93	1993-94
General Fund	15,454,400	17,278,400
Federal Funds	28,249,900	32,203,500
Total	43,704,300	49,481,900

b. Department for Medicaid Services

1. Administration

	1992-93	1993-94
General Fund	15,213,800	15,955,700
Restricted Funds	***3,329,400*** [~~3,391,900~~]	***3,072,900*** [~~3,399,900~~]
Federal Fund	***26,996,000*** [~~27,058,500~~]	***27,754,900*** [~~28,081,900~~]
Total	***45,539,200*** [~~45,664,200~~]	***46,783,500*** [~~47,437,500~~]

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the State Budget Director, may be used for Medicaid Benefits and/or Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Medicaid Services and of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	417,000,000	***680,000,000*** [~~468,100,000~~]
Restricted Funds	202,085,000	***13,985,000*** [~~225,885,000~~]
Federal Funds	1,589,566,400	1,757,392,600
Total	2,208,651,400	2,451,377,600

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Medicaid Services. No portion of the General Fund appropriation may be used for the costs of administration.

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Medicaid Services Benefits appropriation to the Department for Social Insurance Benefits appropriation to avoid a projected deficit, provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the Secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue. In no instance shall these funds be used to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates of payment levels in an existing program.

No funds are included for additional Nursing Facility Medicaid funded beds notwithstanding KRS 205.621(2).

Any hospital which has participated in the HICAP program during the 1990-92 biennium will be required to continue to serve individuals and families with incomes up to 100 percent of the poverty level [~~as provided under KRS 205.575~~].

[~~Notwithstanding the provisions of KRS 205.575 (6) except administrative funding allowance and (7) relating to the distribution of Hospital Indigent Care Assurance Program (HICAP) payments,~~] The distribution of HICAP assessment payments shall be governed by regulations promulgated by the Cabinet for Human Resources designed to make maximum use of available budgetary resources. [~~This language shall not operate to repeal or amend KRS 205.575 (6) and (7).~~]

No hospital may be reimbursed from both the Quality and Charity Care Trust Fund and the Hospital Indigent Care Assurance Program (HICAP)[~~, as established by KRS 205.575,~~] for the same service to the same patient. Any hospital which willfully violates this provision shall be subject to a penalty equal to three times the amount of the improper charge to the funds, which amount shall be credited to the General Fund. The Secretary of the Cabinet for Human Resources shall have the authority to secure such patient information as needed from the participating facilities in order to determine compliance and enforce this provision. Each facility billing and receiving reimbursements from the Quality and Charity Care Trust Fund shall be required to identify each patient by social security number and indicate whether the patient is classified as indigent or medically needy.

Notwithstanding any other provision of this Act or law, in any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement so agree, the General Fund appropriation to fulfill the Commonwealth's contractual obligation relating to the Quality and Charity Care Trust Agreement or any portion thereof, together with any other funds paid to the Quality and Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be transferred to the Department for Medicaid Services as part of its Restricted Fund appropriation for Benefits. In any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of the Trust's revenues to the Department of Medicaid Services for Benefits, the Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

c. Department for Employment Services

1. Employment Services

	1991-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		81,243,200	81,025,400
Total	1,400,000	86,433,700	86,611,800

2. Administration-Unemployment Insurance

	1992-93	1993-94
Federal Funds	20,557,000	21,061,700

3. Benefits-Unemployment Insurance

	1992-93	1993-94
Federal Funds	301,600,000	310,900,000

TOTAL - EMPLOYMENT SERVICES

	1991-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		403,400,200	412,987,100
TOTAL	1,400,000	408,590,700	418,573,500

Notwithstanding KRS 341.835, funds from the Unemployment Insurance Penalty and Interest Account shall be used during fiscal year 1991-92 and the 1992-94 biennium by the Department for Employement Services to operate employment and training programs.

d. Department for Health Services

	1992-93	1993-94
General Fund	45,284,000	45,659,000
Restricted Funds	11,119,500	11,307,700
Federal Funds	97,908,100	101,091,900
Total	154,311,600	158,058,600

Included in the above General Fund appropriation is $257,700 in fiscal year 1993 and fiscal year'1994 to provide toxicology services for the State Medical Examiner's Office.

e. Department for Mental Health/Mental Retardation Services

	1992-93	1993-94
General Fund	117,674,000	124,056,500
Restricted Funds	61,343,800	64,300,500
Federal Funds	20,665,500	21,681,000
Total	199,683,300	210,038,000

Included in the above General Fund appropriation is $5,080,100 in fiscal year 1992-93 and $5,651,700 in fiscal year 1993-94 for debt service.

f. Department for Social Services

	1992-93	1993-94
General Fund	108,398,400	128,445,000
Restricted Funds	16,831,500	4,537,500
Federal Funds	117,660,400	118,216,800
Total	242,890,300	251,199,300

Notwithstanding KRS 205.460, entities contracting with the cabinet to provide essential services under KRS 205.455 and this section shall provide local match, not less than the amount in effect during fiscal year 1991-92. Local match may include any combination of materials, commodities, transportation, office space, personal services or other types of facility services, or funds. The secretary shall prescribe the procedures to certify the local match assurance.

Included in the above General Fund appropriation is $178,000 in fiscal year 1992-93 and $388,900 in fiscal year 1993-94 for debt service.

g. Administration and Program Support

	1992-93	1993-94
General Fund	16,022,000	16,569,000
Restricted Funds	5,993,200	6,068,300
Federal Funds	16,111,700	16,633,900
Total	38,126,900	39,271,200

Included in the above General Fund appropriation is $5,835,600 in fiscal year 1992-93 and $6,284,800 in fiscal year 1993-94 for debt service.

Notwithstanding other provisions to the contrary including KRS 213.141, the secretary shall promulgate such administrative regulations to prescribe user fee amounts which are provided in the applicable restricted fund appropriations with the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet. Such actions and approvals shall be reported simultaneously, in writing, to the Interim Joint Committee on Appropriations and Revenue. Changes in user fee amounts not requiring revised administration regulations shall be reported 30 days prior to the effective date of the change, in writing, to the Interim Joint Committee on Appropriations and Revenue and include the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet.

Any authorizations in the Appropriation Act with respect to transfer, increase, or decrease of appropriated funds for the Cabinet for Human Resources shall be in accordance with the General Provisions of the Appropriations Act.

53. COMMISSION FOR HANDICAPPED CHILDREN

	1992-93	1993-94
General Fund	7,895,000	7,995,000
Restricted Funds	1,545,000	1,591,400
Federal Funds	4,134,800	4,134,800
Total	13,574,800	13,721,200

54. COMMISSION FOR HEALTH ECONOMICS CONTROL IN KENTUCKY

	1992-93	1993-94
General Fund	423,000	423,000
Restricted Funds	152,700	116,700
Total	575,700	539,700

TOTAL - HUMAN RESOURCES CABINET

	1991-92	1992-93	1993-94
General Fund		864,747,800	***1,163,978,900*** [~~952,078,900~~]
Restricted Funds	1,400,000	***332,914,100*** [~~332,976,600~~]	***136,713,600*** [~~348,940,600~~]
Federal Funds		***2,573,196,900*** [~~2,573,259,400~~]	***2,768,829,500*** [~~2,769,156,500~~]
TOTAL	1,400,000	***3,770,858,800*** [~~3,770,983,800~~]	***4,069,522,000*** [~~4,070,176,000~~]

Section 21. 1992 Kentucky Acts Chapter 462, Part I, Section L at page 1994, is amended to read as follows:

L. REVENUE

75. REVENUE CABINET

a. Department of Administrative Services

	1991-92	1992-93	1993-94
General Fund	150,000	15,469,400	16,097,800
Restricted Funds		122,500	55,000
Total	150,000	15,591,900	16,152,800

Notwithstanding the provisions of KRS 136.392(b), the insurance surcharge rate shall be adjusted to a rate calculated to provide sufficient funds for the 1992-94 enacted budgets, including the administration of training programs, pay supplements prescribed by statute and debt service for the respective program funds specified in KRS 95A.220 and KRS 15.430 fiscal year 1992-93 and fiscal year 1993-94. The calculation of sufficient funds in the enacted budgets, shall include any restricted fund carry forwards from fiscal years 1992, 1993, and 1994, provided by the General Assembly in this Act. Appropriations budgeted for transfer to the General Fund in accordance with the provisions of Part V of this Act shall also be included.

b. Property Valuation Administrators

	1992-93	1993-94
General Fund	16,161,200	15,615,900
Restricted Funds	2,096,800	1,955,200
Total	18,258,000	17,571,100

Included in the above General Fund appropriation is $1,500,000 in fiscal year 1992-93 and $500,000 in fiscal year 1993-94 for continuation of the Emergency Assessment Program to be administered by the Department of Property Taxation. Any balance at the end of fiscal year 1992-93 shall not lapse, but shall be carried forward for the completion of this program.

c. Department of Tax Compliance

	1992-93	1993-94
General Fund	19,047,100	20,517,400
Road Fund	1,000,000	1,000,000
Restricted Funds	***2,519,300*** [~~2,456,800~~]	***1,579,400*** [~~1,252,400~~]
Federal Funds	***62,500***	***327,000***
Total	***22,628,900*** [~~22,503,900~~]	***23,423,800*** [~~22,769,800~~]

The Road Funds appropriated above represent the cost of the Road Fund Compliance Programs within the Revenue Cabinet including six additional permanent full-time employees and are to be used exclusively for that purpose.

Notwithstanding the provision of KRS 365.390, the accumulated balance in the Cigarette Enforcement Agency Fund Account is hereby appropriated for any lawful tax compliance activity.

d. Department of Property Taxation

	1991-92	1992-93	1993-94
General Fund	975,500	5,428,100	5,557,700
Road Fund		250,000	250,000
Restricted Funds		354,000	254,000
Total	975,500	6,032,100	6,061,700

The Road Funds appropriated above represent the road fund portion of the costs of the Motor Vehicle Property Tax program and are to be used exclusively for that purpose. In accordance with the provisions of KRS 134.400 it is the intent of the General Assembly to establish the Delinquent Tax Fund in the Department of Property Taxation. Proceeds shall be deposited to this account according to KRS 134.400 except that the first $100,000 shall be deposited exclusively to the General Fund.

TOTAL - REVENUE CABINET

	1991-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund		1,250,000	1,250,000
Restricted Funds		***5,092,600*** [~~5,030,100~~]	***3,843,600*** [~~3,516,600~~]
Federal Funds		***62,500***	***327,000***
TOTAL	1,125,500	***62,510,900*** [~~62,385,900~~]	***63,209,400*** [~~62,555,400~~]

76. KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION

	1991-92	1992-93	1993-94
Restricted Funds		133,782,200	145,061,700

TOTAL REVENUE

	1991-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund		1,250,000	1,250,000
Restricted Funds		***138,874,800*** [~~138,812,300~~]	***148,905,300*** [~~148,578,300~~]
Federal Funds		***62,500***	***327,000***
TOTAL	1,125,500	***196,293,100*** [~~196,168,100~~]	***208,271,100*** [~~207,617,100~~]

Section 22. To the extent that 1992 Kentucky Acts Chapter 459, the 1992-94 State/Executive Branch Budget Memorandum, is in conflict with Section 20 or 21 of this Act, the conflicting provision of 1992 Kentucky Acts Chapter 459 is superseded by the provision of Section 20 or 21 of this Act, which shall control.

Section 23. The following KRS sections are repealed, effective April 1, 1993:

205.576 Assessment of cost-based providers - Use of assessments - Return to providers - Appeals

205.577 Assessment of medical providers - Use of assessments - Return to providers - Appeals

Section 24. The following KRS sections are repealed, effective June 30, 1993:

205.575 Hospital indigent care assurance program

205.578 Legislative review of medical assessment improvement trust fund expenditures and transfers

Section 25. It is the express intent of the General Assembly in enacting Section 23 of this Act that the repeals of KRS 205.576 and 205.577 be retroactive to April 1, 1993.

Section 26. Whereas the tax currently levied and used as a funding source for the medicaid program is invalid as of July 1, 1993, the tax levied under the provisions of this Act is for the purpose of conforming to federal requirements and is to be used as a source of funding for the medicaid program.

Section 27. Whereas it is essential that the Commonwealth continues to receive maximum federal participation in its medical assistance program, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

Recess

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Rules in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Floor Amendments (Continued)

Floor Amendment No. 1 to the Committee Substitute to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1**/HCS as follows:

On page 1, after line 4, but before line 5, by inserting the following new language: "***(2) "Department" means the Department of Medicaid Services;*** " and by renumbering the remaining subsections; and

On page 4, line 18, after the "." by inserting the following new language: "***The department shall reimburse hospitals, based on total charges, through a disproportionate share plan, for care rendered to medicaid recipients in excess of medicaid program coverage limitations, indigent persons that the hospital has determined do not have sufficient resources to pay for their care, and indigent bad debt, in the amount of forty percent (40%) of total hospital bad debt. The department shall promulgate administrative regulations necessary to assure these payments.***"

Representative Stumbo moved that the rules be suspended for a report of the Committee on Rules. Agreed.

Report of Committees (Continued)

The Committee on Rules reported that **HB 1** has been posted for passage in the Orders of the Day for May 17, 1993.

Floor Amendments (Continued)

Floor Amendment No. 2 to the Committee Substitute No. 2 to **HB 1**, by Representative Bowling:

Amend printed copy of **HB 1**/HCS2 as follows:

On page 4, line 10, by inserting before "***A***" the number "***(1)***"; and

On page 4, line 13, by inserting after the "." the following words:

"***(2) A tax is hereby imposed upon insurers, health maintenance organizations, and nonprofit hospital, medical-surgical, dental and health service corporations as defined in KRS Chapter 304, who contract for***

the provision of outpatient prescription drugs, at a rate of twenty-five cents ($0.25) per outpatient prescription paid for by the insurer, health maintenance organization, or nonprofit hospital, medical-surgical, dental and health service corporation, on or after July 1, 1993, and dispensed by an individual or entity registered pursuant to KRS Chapter 315."

Orders of the Day

Representative Crenshaw moved that the rules be suspended to allow floor privileges to guests and to act upon a Resolution. Agreed.

Representative Crenshaw moved the adoption of the following **HR 9**:

HR 9, A RESOLUTION adjourning in loving memory of William Hobbs Childress.

With deepest respect we pay homage and tribute to the memory of our beloved friend, William Hobbs Childress.

WHEREAS, William Hobbs Childress, former state representative, House of Representatives doorkeeper, and deputy Jefferson County Circuit Court Clerk, traversed these earthly bounds on Monday, May 3, 1993; and

WHEREAS, William Hobbs Childress served one term in this honorable body as representative of the forty-second district in Louisville, beginning in 1960; and

WHEREAS, William Hobbs Childress is well known for his introduction of Kentucky House Bill 163 of the 1960 Regular Session, which led to the creation of the Kentucky Commission on Human Rights; and

WHEREAS, William Hobbs Childress honorably served as deputy circuit court clerk in Jefferson County for nearly thirty years, retiring from the post in 1982; and

WHEREAS, over the years William Hobbs Childress was active in several civil rights and Democratic organizations, including serving as treasurer of the Lexington Branch of the National Association for the Advancement of Colored People; and

WHEREAS, William Hobbs Childress served in the Army Air Force in World War II and was a faithful member of the Urban League; and

WHEREAS, William Hobbs Childress contributed to the community in numerous ways and he will be sorely missed; and

WHEREAS, William Hobbs Childress is survived by his loving wife, Joanna Offutt Childress;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does extend its absolute sense of bereavement and loss upon the death of William Hobbs Childress and proffers its condolences to his family and loved ones.

Section 2. That when this honorable body adjourns this day, it does so in honor and memory of William Hobbs Childress.

Section 3. That the Clerk of the House is directed to send a copy of this Resolution to Mrs. Joanna Offutt Childress, 439 Georgetown Street, Lexington, Kentucky 40508.

HR 9 was adopted by voice vote.

Representative Crenshaw moved that a call of the roll be taken to show co-sponsors of **HR 9**. Agreed.

On the roll call the vote was yeas 83—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Brown, Bruce, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Ford, Fox, French, Gedling, Gee, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Lyne, Maggard, Mason, Moberly, Morris, Napier, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

HB 2 taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Long moved that **HB 2** be passed.

On the roll call the vote was: Yeas 83, Nays 0. (See May 14, 1993 roll call on **HB 2** - Appendix A.)

HB 2 was passed and the title agreed to.

Representative Long moved that the vote by which **HB 2** was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions and Communications

Representative Bowling moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 11, by Representative Bowling: A RESOLUTION adjourning in the House of Representatives in loving memory of Sophia Gilbert Cawood.

Representative Bowling moved the adoption of the following **HR 11**:

HR 11, A RESOLUTION adjourning the House of Representatives in loving memory of Sophia Gilbert Cawood.

WHEREAS, Sophia Gilbert Cawood was born June 10, 1907, in Barbourville, Kentucky; and

WHEREAS, Sophia Gilbert Cawood departed these earthly bounds on Thursday, May 13, 1993; and

WHEREAS, Sophia Gilbert Cawood was the daughter of the late Judge James M. Gilbert and Amanda Davis Gilbert; and

WHEREAS, she was a sixth generation granddaughter of pioneer, doctor, and legislator, John Gilbert, for whom the John Gilbert Memorial Highway was named; and

WHEREAS, Sophia Gilbert Cawood was the mother of former Kentucky legislator, Stephen Carl Cawood; and

WHEREAS, Sophia Gilbert Cawood was a charter member of the Mountain Laurel Garden Club, the Pineville Bridge Club, the Mountain Laurel Festival Committee, the Pineville PTA, and the Bell County Democratic Party; and

WHEREAS, she was a lifelong member of the First Presbyterian Church of Pineville, where she taught Sunday School and was a member and officer of Circle #3 of the Church; and

WHEREAS, survivors include her beloved husband, R. Murrell Cawood; her sons, Stephen Carl Cawood and Thomas Murrell Cawood; her daughter, Amanda Jane Cawood Brooking; one grandson; four granddaughters; two great-grandchildren; a niece; and three nephews; and

WHEREAS, Sophia Gilbert Cawood will be remembered as a respected and well loved member of her community and will be sorely missed;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That with deepest regret, the House of Representatives pays homage and tribute to Sophia Gilbert Cawood.

Section 2. That the House of Representatives laments the loss of Sophia Gilbert Cawood and commends her family and friends to the solace of the Almighty.

Section 3. That this honorable body proudly presents this tribute in honor of the late Sophia Gilbert Cawood, who was an outstanding Kentuckian, and served as an exemplary representative of the Commonwealth of Kentucky.

Section 4. That when the House of Representatives does adjourn this day, it does so in honor of Sophia Gilbert Cawood.

Section 5. That the Clerk of the House of Representatives is directed to send four copies of this Resolution to Stephen Carl Cawood, P.O. Drawer 280, Pineville, Kentucky, 40977.

HR 11 was adopted by voice vote.

Representative Bowling moved that a call of the roll be taken to show co-sponsors of **HR 11**. Agreed.

On the roll call the vote was yeas 83—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Ford, Fox, French, Gedling, Gee, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Long, Lyne, Maggard, Mason, Moberly, Morris, Mullinix, Napier, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Mason moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 15, by Representatives Mason and Bentley: A RESOLUTION adjourning in loving memory of James M. Caudill.

Representative Mason moved the adoption of the following **HR 15**:

HR 15. A RESOLUTION adjourning in loving memory of James M. Caudill.

With deepest respect, we pay homage and tribute to James M. Caudill.

WHEREAS, James M. Caudill was born on December 9, 1906, a native of Dry Creek, Knott County, Kentucky, and traversed these earthly bounds on February 10, 1993; and

WHEREAS, James M. Caudill was the revered son of Luann and Marion Caudill, who preceded him in death; and

WHEREAS, James M. Caudill was the devoted husband of Atha Bentley Caudill, loving father of James M. Caudill, Jr., Pauline C. Ritter and Anna C. Kincer and proud grandfather of seven grandchildren and six great-grandchildren; and

WHEREAS, James M. Caudill attended school at Prestonsburg, Caney Creek, and Berea College; and

WHEREAS, James M. Caudill, during his working life, was a dedicated teacher at the one-room Millstone School in Letcher County, a drug store attendant in Neon, manager of the Yellow Front Grocery, a coal miner at Seco and Wheelwright, a receiver for Elkhorn Coal Corporation, operator of Middle Fork Coal Company, and a grocery and appliance store operator, founder of the Bank of Neon (the forerunner of First Security Bank and Trust); and

WHEREAS, James M. Caudill guarded the public trust as a police judge of Neon for four years and the Neon postmaster for twenty-three years; and

WHEREAS, James M. Caudill served his constituents with extraordinary care as Letcher County Judge for three terms, during which time he was a major contributor in the effort to obtain the present Letcher County courthouse, the Letcher County health center building, Fish Pond Lake, the former Whitesburg airport, the Letcher County public library, the Little Shepherd Trail, and is credited with helping to establish the Southeast Community College at Whitesburg; and

WHEREAS, James M. Caudill was a member in good standing of the Lonesome Pine Masonic Lodge and the Oleika Shrine Temple, was past president of the Whitesburg Rotary Club and a worthy recipient of a Paul Harris Fellow Award in the club, was a member of the Whitesburg Appalachian Regional Hospital advisory board and faithfully served as trustee and deacon of the First Baptist Church in Whitesburg; and

WHEREAS, after thirty years of exceptional service, James M. Caudill retired in 1992 as president and chief executive officer of First Security Bank and Trust Company of Whitesburg; and

WHEREAS, his exemplary contributions to the good people of Letcher County are beyond measure and will have treasured impact;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its profound sense of sorrow upon the passing of a person of such distinguished attributes as James M. Caudill, and does extend to his family its most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day, it does so in loving memory and honor of James M. Caudill.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mrs. Atha Bentley Caudill, 112 Ohio Street, Whitesburg, Kentucky 41858.

HR 15 was adopted by voice vote.

Representative Barrows moved that the rules be suspended to act upon Legislative Citations. Agreed.

Representative Barrows moved the adoption of the following Legislative Citation No. 3. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors KAY HALL on the occasion of her retirement as teacher for the Woodford County High School.

Whereas, education is the key to success in the twenty-first century and; heretofore, the evolution of children into outstanding citizens depends uniquely upon quality education; this prestigious body recognizes your twenty-eight years and remarkable achievements in the teaching field; commends your extraordinary contribution to the students of Kentucky and proclaims that your accomplishments will remain as a living tribute long after your retirement.

Representative Barrows moved the adoption of the following Legislative Citation No. 4. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby recognizes and commends DANIEL CAREY for winning the 1992 State Conservation Essay Contest. Your outstanding accomplishments have brought pride and honor to your community and your family. Your achievements are a result of dedication, commitment and hard work.

This prestigious body joins Representative Joe Barrows in congratulating Daniel Carey. We extend to you our very best wishes for success in future endeavors.

Representative Napier moved the adoption of the following **HR 10**:

HR 10, A RESOLUTION adjourning the House of Representatives in loving memory and honor of D. Ival James.

With deepest respect, we pay homage and tribute to D. Ival James.

WHEREAS, D. Ival James, a native of Elliott County, Kentucky, was born on June 2, 1911, and crossed that final bourne to which no traveller returns on May 12, 1993; and

WHEREAS, D. Ival James was the loving son of Ora James and Maude Fouch James who preceded him in death; and

WHEREAS, D. Ival James was a retired state employee and farmer; and

WHEREAS, D. Ival James was the devoted husband of Mary Fultz James and the loving father of Kathy James Renfro and Greg James and proud grandfather of two grandchildren; and

WHEREAS, the passing of D. Ival James has left a void that will be difficult to fill, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby express its profound sense of sorrow at the passing of D. Ival James and does extend to his family its most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day, it does so in loving memory and honor of D. Ival James.

Section 3. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Mrs. Mary Fultz James, 1005 Four Mile Road, Richmond, Kentucky 40475.

HR 10 was adopted by voice vote.

Representative Stumbo announced that **HB 1** will be voted on May 17, 1993 and **HB 3** will be voted on May 18, 1993.

Floor Amendments (Continued)

Floor Amendment No. 3 to the Committee Substitute No. 2 to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1/HCS2** as follows:

On page 1, after line 4, but before line 5, by inserting the following new language: "***(2) "Department" means the Department of Medicaid Services;***" and by renumbering the remaining subsections; and

On page 4, line 18, after the "." by inserting the following new language: "***The department shall reimburse hospitals, based on total charges, through a disproportionate share plan, for care rendered to medicaid recipients in excess of medicaid program coverage limitations, indigent persons that the hospital has determined do not have sufficient resources to pay for their care, and indigent bad debt, in the amount of forty percent (40%) of total hospital bad debt. The department shall promulgate administrative regulations necessary to assure these payments.***"

Floor Amendment No. 4 to the Committee Substitute No. 2 to **HB 1**, by Representative Bowling:

Amend printed copy of **HB 1/HCS2** as follows:

On page 4, line 10, by inserting before "***A***" the number "***(1)***"; and

On page 4, line 13, by adding the following after "***1993.***":

"***(2) Notwithstanding Section 5 of this Act, health care providers subject to the tax imposed by this section may transfer the tax on to third party contracts for the purchase of health care services on behalf of a patient or consumer entered into by insurers, health maintenance organizations, and non-profit hospital, medical-surgical, dental and health service corporations as defined in KRS Chapter 304.***

(3) Insurers, health maintenance organizations, and non-profit hospital, medical-surgical, dental and health service corporations as defined in KRS Chapter 304 shall pay the transferred tax in addition to any payments due under existing or future contracts with the health care provider."; and

On page 4, line 16, by inserting before "***The***" the number "***(1)***"; and

On page 4, line 17, by inserting after "***shall***" the words "***constitute a debt of the provider to the Commonwealth and except as provided by Section 4, subsection (2) of this Act shall***"; and

On page 4, line 18, by inserting after "***services***" the words "***as a separate charge***"; and

On page 4, line 18, after the "." by adding the following:

"***(2) Nothing in this section shall limit the ability of a provider to recover all or part of the tax imposed by Sections 2, 3 and 4 of this Act by other methods, including, increasing fees or charges.***"; and

On page 8, line 23, by inserting after the word "***period***" the words "***or, in the case of providers taxed under Section 4 of this Act, the number of outpatient drug prescriptions dispensed for which actual payment is received***".

Announcements

The Clerk announced the following meeting:

Majority Caucus, upon adjournment, May 17, 1993, Room 149.

Adjournment

Representative Stumbo moved that the House adjourn until 4:00 p.m., Monday, May 17, 1993.

On the roll call the vote was yeas 74—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Buis, Burch, Callahan, Cave, L. Clark, P. Clark, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Ford, Fox, French, Gedling, Gee, Graham, Gray, Hancock, J. Harper, Hatcher, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, Lindsay, Long, Lyne, Maggard, Mason, Moberly, Morris, Mullinix, Napier, Nesler, Northup, Nunn, Palumbo, Rapier, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, Stacy, Stengel, Stumbo, Todd, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 4—Heleringer, LeMaster, Lile, Pearman.

The motion to adjourn was adopted.

MONDAY, MAY 17, 1993

SIXTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Lillian Nunnelly, Director, Adult Learning Center, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present.

Representative Maggard moved that the reading of the Journal of May 14, 1993 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 12, by Representative Damron: A RESOLUTION in honor of Thomas Bruner upon the occasion of his retirement as Jessamine County Jailer.

HR 13, by Representative Stumbo: A RESOLUTION honoring Callie Elizabeth Smith, daughter of Representative Rex Smith, who is sick in the hospital today.

HR 14, by Representative Maggard: A RESOLUTION adjourning in honor of Jason Todd Watts.

HR 16, by Representatives Hancock, Coleman, Scorsone, Adams, Gee, Walton and Rapier: A RESOLUTION expressing wishes and prayers for the speedy recovery of Marshall Tyler Long and his swift return to his family and friends.

HR 17, by Representatives Napier and Clarke: A RESOLUTION adjourning the House of Representatives in loving memory and honor of Fred Simpson, Jr.

Floor Amendments

Floor Amendment No. 5 to the Committee Substitute No. 2 to **HB 1**, by Representative Farrow:

Amend printed copy of **HB 1/HCS2** on page 6, line 6, by deleting "***until April 1, 1994***" and inserting in lieu thereof "***unless those increases are specifically adopted by the General Assembly during a Regular or Extraordinary Session***".

Floor Amendment No. 6 to the Committee Substitute No. 2 to **HB 1**, by Representative Lewis:

Amend printed copy of **HB 1/HCS2** on page 6, line 6, by deleting "***until April 1, 1994***" and inserting in lieu thereof "***unless those increases are specifically adopted by the General Assembly during a Regular or Extraordinary Session***".

Floor Amendment No. 3 to the Committee Substitute to **HB 3**, by Representative Farrow:

Amend printed copy of **HB 3/HCS** on page 3, line 14, by bracketing and striking through the word "and"; and

On page 3, line 16, after "216.900" by inserting "***; and***" and bracketing and striking through "."; and after line 16 but before line 17, by inserting the following language "***(j) Services provided by health care practitioners licensed under KRS 327, KRS 334A, KRS 314A, and KRS 319A.***"

Floor Amendment No. 7 to the Committee Substitute No. 2 to **HB 1**, by Representative Gray:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following language:

"Section 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

The medical assistance revolving trust fund shall be established in the State Treasury and all provider tax revenues collected pursuant to this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly

that provider tax revenues collected in accordance with this Act shall be used to supplement and not supplant the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years. The provider tax revenues in the fund shall be used solely to match federal medicaid funds."; and by renumbering subsequent sections; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 15, by deleting "23" and inserting "24".

Motions, Petitions and Communications

Representative Worthington moved that he be recorded as a co-sponsor to **HB 4**. Agreed.

Representative Scorsone moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 19, by Representative Scorsone: A RESOLUTION adjourning the House of Representatives in honor of Roger and Barbara Wesby.

Representative Scorsone moved the adoption of the following **HR 19**:

HR 19, A RESOLUTION adjourning the House of Representatives in honor of Roger and Barbara Wesby.

WHEREAS, the education of our children is the cornerstone of everything we value in the nation and in the Commonwealth; and

WHEREAS, music education engenders an appreciation of life's finer things, and contributes to the development of the whole person; and

WHEREAS, since 1990 Roger and Barbara Wesby, by founding and directing the Lexington Children's Chorus, have provided the opportunity for grade school children in Lexington and six surrounding counties to study and perform a repertoire of classical, sacred, and folk music; and

WHEREAS, under the guidance of the Wesbys, the Lexington Children's Chorus has performed not only at civic events, university musical productions, and schools, but also on tour both within and outside the Commonwealth's boundaries; and

WHEREAS, the musicianship of the Lexington Children's Chorus has inspired other communities to organize similar children's groups and has brought acclaim to the members of the chorus, their city, and the Commonwealth; and

WHEREAS, the accomplishments and the success of the Lexington Children's Chorus are due in large measure to the inspiring leadership of Roger and Barbara Wesby; and

WHEREAS, the Wesbys are leaving Kentucky to take professional positions in another state;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby commend the Wesbys for their tireless efforts, commitment to excellence, and dedication to the music education of children, which have created a legacy in which Lexington, the Bluegrass region, and the Commonwealth can take pride.

Section 2. That when the House of Representatives adjourns today, it does so in honor of Roger and Barbara Wesby.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Roger and Barbara Wesby, 3064 Dartmouth Drive, Lexington, KY 40517.

HR 19 was adopted by voice vote.

Representative Napier moved the adoption of the following **HR 17**:

HR 17, A RESOLUTION adjourning the House of Representatives in loving memory and honor of Fred Simpson, Jr.

The most prominent glory of a country is in its great men - a nation's spirit and its success will depend on its willingness to learn from their example. In life we shall find many men that are great and some men that are good, but very few men that are both great and good.

WHEREAS, Fred Simpson, Jr. was born on March 28, 1932, a native of Lancaster, Garrard County, Kentucky, and traversed these earthly bounds on May 13, 1993; and

WHEREAS, Fred Simpson, Jr. was the adored son of Jessie Myrtle Isbell Simpson and Fred Simpson, Sr., who preceded him in death; and

WHEREAS, Fred Simpson, Jr. was the devoted husband of Margaret Arnold Simpson; loving father of two sons, J. K. Simpson and Fred Logan Simpson; loving brother to his twin sister, Carolyn Simpson Middleton and proud grandfather of five grandchildren; and

WHEREAS, Fred Simpson, Jr. served as Garrard County Circuit Clerk from 1970 until his death, and is revered and remembered as a man of unshakable public trust and a man with many friends; and

WHEREAS, on February 23, 1993, the Kentucky Circuit Clerk's Association presented an engraved crystal vase to Fred Simpson, Jr. for his many years of dedicated service; and

WHEREAS, Fred Simpson, Jr. was a devout member of the Maple Avenue Church of Christ; and

WHEREAS, all who knew and admired Fred Simpson, Jr. will grieve over their loss, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby express its profound sense of sorrow upon the passing of Fred Simpson, Jr., and does extend to his family and friends its most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day, it does so in loving memory and honor of Fred Simpson, Jr.

Section 3. That the Clerk of the House of Representatives is hereby directed to transmit copies of this resolution to Mrs. Margaret Arnold Simpson, 234 Danville Street, Lancaster, Kentucky 40444 and to the Garrard County Circuit Clerk's Office, Courthouse Annex, Lancaster, Kentucky 40444.

HR 17 was adopted by voice vote.

Representative Napier moved that a call of the roll be taken to show co-sponsors of **HR 17**. Agreed.

On the roll call the vote was yeas 65—Adams, Adkins, Altman, Arnold, Ballard, Barrows, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, Clarke, Collins, Crenshaw, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Ford, Fox, Gee, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Kerr, Lee, Lile, Lindsay, Little, Lyne, Maggard, Mason, Moberly, Morris, Mullinix, Napier, Nelson, Noland, Northup, Palumbo, Pearman, Rapier, Richards, Ridley, Riggs, Riner, Sanders, Shacklette, B. Smith, Stengel, Todd, Trapp, Walton, Zimmerman. Nays 0.

Representative Hancock moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Hancock moved the adoption of the following **HR 16**:

HR 16, A RESOLUTION expressing wishes and prayers for the speedy recovery of Marshall Tyler Long and his swift return to his family and friends.

WHEREAS, Marshall Tyler Long was born on July 20, 1973, the loving son of proud parents State Representative Marshall Long and Claudette Hullett Long; and

WHEREAS, Marshall Tyler Long graduated from Shelby County High School in 1991 and has recently completed his sophomore year at the University of Kentucky; and

WHEREAS, Marshall Tyler Long is an avid fan of the University of Kentucky "Wildcats" football team and holds the position of student manager for the football team; and

WHEREAS, Marshall Tyler Long is scheduled for heart surgery on May 18, 1993, at Norton's Hospital in Louisville, Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That on behalf of this honorable body, best wishes and warm regards are extended to Marshall Tyler Long.

Section 2. That the House of Representatives prays that Marshall Tyler Long has a safe and speedy recovery from his operation.

Section 3. That the House of Representatives extends its best wishes and prayers of love and support for the family members of Marshall Tyler Long during his recuperation.

Section 4. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Honorable and Mrs. Marshall Long, 1204 Washington Street, Shelbyville, Kentucky 40065.

HR 16 was adopted by voice vote.

Representative Hancock moved that the a call of the roll be taken to show co-sponsors of **HR 16**. Agreed.

On the roll call the vote was yeas 96-Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Collins, Crenshaw, Curd, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Little, Long, Lyne, Maggard, Mason, McElroy, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Floor Amendments (Continued)

Floor Amendment No. 8 to the Committee Substitute No. 2 to **HB 1**, by Representative Bowling:

Amend printed copy of **HB 1/HCS2** on page 4, line 10, by inserting before "***A***" the number "***(1)***"; and

On page 4, line 13, by inserting after the "." the following words:

"***(2) A tax is hereby imposed upon insurers, health maintenance organizations, and nonprofit hospital, medical-surgical, dental and health service corporations as defined in KRS Chapter 304, who contract for the provision of outpatient prescription drugs, at a rate of twenty-five cents ($0.25) per outpatient prescription paid for by the insurer, health maintenance organization, or nonprofit hospital, medical-surgical, dental and health service corporation, on or after July 1, 1993, and dispensed by an individual or entity registered***

pursuant to KRS Chapter 315 to the extent that the individual or entity dispensing the outpatient prescription drug has not paid the tax imposed under subsection (1) of this Section."

Motions, Petitions and Communications (Continued)

Representative Stumbo moved that no further business be conducted on this day except for receipt of Floor Amendments and Announcements. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so by voice vote. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so until 10:00 a.m., Tuesday, May 18, 1983. Agreed.

Floor Amendments (Continued)

Floor Amendment No. 9 to the Committee Substitute No. 2 to **HB 1**, by Representative Farrow:

Amend printed copy of **HB 1/HCS2** on page 5, lines 1 and 2, by deleting "***shall have the authority to***" and inserting in lieu thereof "***may***"; and

On page 5, line 2, by deleting "***adjustments***" and inserting in lieu thereof "***adjustment***"; and

On page 5, at the beginning of line 4, by deleting "***(a)***"; and

On page 5, line 15, after the "." by deleting the remaining language; and

On page 5, by deleting lines 16 through 25 in their entirety; and

On page 5, line 26, by deleting "***Section 4 of this Act.***"; and

On page 6, by deleting lines 4 and 5 in their entirety; and

On page 6, line 6, by deleting "***shall not be effective until April 1, 1994.***"; and

On page 6, by deleting lines 9 through 13 in their entirety.

Floor Amendment No. 10 to the Committee Substitute No. 2 to **HB 1**, by Representative Long:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following language:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds. The MART fund shall be exempt from any state budget reduction acts.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) If it is determined that the disproportionate share program adopted by the commissioner of medicaid services pursuant to subsection (1) of this section meets the requirements of federal law so that the program can be funded with federally matched funds, an amount necessary to result in a total fund of fifty million dollars ($50,000,000), including provider tax revenues and federal matching funds, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) Hospitals providing services to indigent individuals and families with incomes up to one hundred percent (100%) of the federal poverty level, and hospitals providing additional days of coverage for medicaid recipients shall be reimbursed on an annual basis for the provision of those services from the MAIT fund at prevailing medicaid rates if the total amount available in the MAIT fund is sufficient to meet all valid claims by all hospitals seeking reimbursement.

(6) If the total amount of claims is greater than the amount available in the MAIT fund, the commissioner for medicaid services shall prorate the available funds among all hospitals presenting valid claims.

(7) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(8) All hospitals seeking reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department date on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients."; and

On page 15, line 2, by deleting "Section 20" and inserting "Section 21" in lieu thereof; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 26, line 12, by deleting "Section 21" and inserting "Section 22" in lieu thereof; and

On page 29, line 23, by deleting "Section 22" and inserting "Section 23" in lieu thereof; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 3, by deleting "Section 23" and inserting "Section 24" in lieu thereof; and

On page 30, line 9, by deleting "Section 24" and inserting "Section 25" in lieu thereof; and

On page 30, line 14, by deleting "Section 25" and inserting "Section 26" in lieu thereof; and

On page 30, line 18, by deleting "Section 26" and inserting "Section 27" in lieu thereof; and

On page 30, line 24, by deleting "Section 27" and inserting "Section 28" in lieu thereof; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 11 to the Committee Substitute No. 2 to **HB 11**, by Representative Lewis:

Amend printed copy of **HB 1**/HCS2 on page 5, lines 1 and 2, by deleting "***shall have the authority to***" and inserting in lieu thereof "***may***"; and

On page 5, line 2, by deleting "***adjustments***" and inserting in lieu thereof "***adjustment***"; and

On page 5, at the beginning of line 4, by deleting "***(a)***"; and

On page 5, line 15, after the "." by deleting the remaining language; and

On page 5, by deleting lines 16 through 25 in their entirety; and

On page 5, line 26, by deleting "***Section 4 of this Act.***"; and

On page 6, by deleting lines 4 and 5 in their entirety; and

On page 6, line 6, by deleting "***shall not be effective until April 1, 1994.***"; and

On page 6, by deleting lines 9 through 13 in their entirety.

Motions, Petitions and Communications (Continued)

Representative Stumbo moved that the floor remain open until 6:00 p.m. Agreed.

Recess

Representative Stumbo moved that the House recess until 6:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Floor Amendments (Continued)

Floor Amendment No. 12 to the Committee Substitute No. 2 to **HB 1**, by Representative Mason:

Amend printed copy of **HB 1**/HCS2 on page 4, line 10, after the word "***imposed***" by inserting the following language: "***on pharmacies, required to be permitted by KRS Chapter 315,***"; and

On page 4, line 12, after the word "***received***" by inserting the following language: "***or delivery is taken***".

Floor Amendment No. 13 to the Committee Substitute No. 2 to **HB 1**, by Representative Scorsone:

Amend printed copy of **HB 1**/HCS2 on page 15, after line 1 but before line 2, by inserting the following language:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) If it is determined that the disproportionate share program adopted by the commissioner of medicaid services pursuant to subsection (1) of this section meets the requirements of federal law, including the provisions of the Medicaid Moratorium Amendments of 1991 and any administrative regulations promulgated thereunder, so that the program can be funded in part with federally matched funds, an amount necessary to result in a total fund of fifty million dollars ($50,000,000), including provider tax revenues and federal matching funds, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) The commissioner of the Department for Medicaid Services shall implement a disproportionate share program which will take into consideration the amount of service provided by hospitals for medicaid recipients beyond the covered days and individuals and families with incomes up to one hundred percent (100%) of the federal poverty level, as determined by the hospital pursuant to guidelines established by the Cabinet for Human Resources. (6) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(7) All hospitals receiving reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department data on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients."; and

On page 15, line 2, by deleting "Section 20" and inserting "Section 21" in lieu thereof; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 26, line 12, by deleting "Section 21" and inserting "Section 22" in lieu thereof; and

On page 29, line 23, by deleting "Section 22" and inserting "Section 23" in lieu thereof; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 3, by deleting "Section 23" and inserting "Section 24" in lieu thereof; and

On page 30, line 9, by deleting "Section 24" and inserting "Section 25" in lieu thereof; and

On page 30, line 14, by deleting "Section 25" and inserting "Section 26" in lieu thereof; and

On page 30, line 18, by deleting "Section 26" and inserting "Section 27" in lieu thereof; and

On page 30, line 24, by deleting "Section 27" and inserting "Section 28" in lieu thereof; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 14 to the Committee Substitute No. 2 to **HB 1**, by Representative Lear:

Amend printed copy of **HB 1/HCS2** on page 6, line 17, after the word "***law***" by inserting the following language: "***, except those groups that are prohibited by state law from participating in the state medicaid program***"; and

On page 6, line 24, after the "." by inserting the following language: "***Provided, the tax levied by Sections 2, 3 and 4 of this Act shall not be imposed against any specific group providing health care items or services that is prohibited under state law from participating in the state medicaid program.***

Floor Amendment No. 15 to the Committee Substitute No. 2 to **HB 1**, by Representative Ford:

Amend printed copy of **HB 1/HCS2** on page 6, line 5, after the word "***Act***" by deleting "***prior to April 1, 1994***"; and

On page 6, line 6, after the word "***until***" by deleting "***April 1, 1994***" and inserting "***April 1, 1998***".

Floor Amendment No. 16 to the Committee Substitute No. 2 to **HB 1**, by Representative Turner:

Amend printed copy of **HB 1/HCS2** on page 6, after line 13 but before line 14, by inserting the following language:

"***(c) During any period that there is no federal match money made available for money generated by the provider tax imposed by Sections 1 to 19 of this Act, the secretary shall adjust the rates to zero.***"

Floor Amendment No. 17 to the Committee Substitute No. 2 to **HB 1**, by Representative Zimmerman:

Amend printed copy of **HB 1/HCS 2** on page 4, line 10, by inserting before "***A***" the number "***(1)***"; and

On page 4, line 13, by inserting after the "." the following words:

"***(2) A tax is hereby imposed upon insurers, health maintenance organizations, and nonprofit hospital, medical-surgical, dental and health service corporations as defined in KRS Chapter 304, who contract for the provision of outpatient prescription drugs, at a rate of one and one half percent (1.5%) of the prescription cost paid for by the insurer, health maintenance organization, or nonprofit hospital, medical-surgical, dental and health service corporation, on or after July 1, 1993, and dispensed by an individual or entity registered pursuant to KRS Chapter 315.***"

Floor Amendment No. 18 to the Committee Substitute No. 2 to **HB 1**, by Representative Scorsone:

Amend printed copy of **HB 1/HCS2** on page 20, after line 8 but before line 9, by inserting the following language: "Any balance remaining in the medicaid revolving trust fund as of June 30, 1993 is hereby appropriated for use for budgeted program expenditures in the Department of Medicaid Services, except for those amounts required by the Revenue Cabinet's Office of Tax Compliance for the administration of the provider tax, not to exceed $125,000 in restricted agency funds in FY 1992-93 and $654,000 in restricted agency funds in FY 1993-94."

Floor Amendment No. 19 to the Committee Substitute No. 2 to **HB 1**, by Representative DeWeese:

Amend printed copy of **HB 1/HCS2** on page 4, line 1, by deleting the last word "***the***" and by deleting lines 2 and 3 in their entirety; and

On page 4, line 4, by deleting the following language "***authority granted in Section 6 of this Act,***" and inserting the following language "***will result in federal financial assistance pursuant to 42 USC Section 1936***".

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Tuesday, May 18, 1993.

The motion that the House adjourn until 10:00 a.m., Tuesday, May 18, 1993 was adopted by voice vote.

TUESDAY, MAY 18, 1993

SEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Charles C. Ellestad, Church of the Ascension, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Bryant, Long and McElroy.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 17, 1993 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 18, by Representative Nunn: A RESOLUTION in loving memory of James Edward Gillenwater.

HR 20, by Representative Hourigan: A RESOLUTION honoring the 1993 state champion Marion County High School Boys Basketball Team.

HR 21, by Representative Graham: A RESOLUTION honoring Robert D. Campbell upon his retirement.

HR 22, by Representative Graham: A RESOLUTION honoring Kenneth Caudill upon his retirement.

HR 23, by Representative Graham: A RESOLUTION honoring Gerald D. Roades upon his retirement.

HR 24, by Representative Geveden: A RESOLUTION adjourning in memory of former Carlisle County Judge/Executive Tommy J. Wilson.

Motions, Petitions and Communications

Representative Geveden moved the adoption of the following **HR 24**:

HR 24, A RESOLUTION adjourning in memory of former Carlisle County Judge/Executive Tommy J. Wilson.

WHEREAS, Tommy J. Wilson departed this life at seventy-five years of age; and

WHEREAS, Tommy J. Wilson provided superlative public service to the people of Carlisle County while serving as county judge/executive from 1982 to 1986; and

WHEREAS, through his immeasurable concern for the economic development of Carlisle County, he was instrumental in the formation of the Four River Industrial Development Group and the Carlisle County Industrial Committee; and

WHEREAS, a former employee of both Union Carbide and Western Baptist Hospital, Tommy J. Wilson was also a farmer and owned and operated Laketon Sand and Gravel Company for several years; and

WHEREAS, a member of the George-Wilson Literary Club, he authored "The Legend of Dillon Campbell" and "The Legend of the New Madrid Earthquake"; and

WHEREAS, Tommy J. Wilson is survived by his beloved wife, Evelyn George Wilson; five daughters, Brenda Wilson, Patsy Burgess, Mary Ellen Thomason, Gina Anderson, and Eva Walker; three sons, Ted G. Wilson, Tony M. Wilson, and Tom K. Wilson; one half brother, N.C. Wilson; nineteen grandchildren; and fifteen great-grandchildren; and

WHEREAS, Tommy J. Wilson will be remembered as a respected and well-loved member of the community and an outstanding and conscientious businessman;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body expresses its sense of bereavement upon the loss of Tommy J. Wilson and extends its condolences to his family.

Section 2. That when the House of Representatives adjourns this day, it does so in honor and memory of Tommy J. Wilson.

Section 3. That the Clerk of the House of Representatives is directed to send nine copies of this Resolution to Mrs. Evelyn George Wilson, Rt. 1, Bardwell, Kentucky, 42023.

HR 24 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended for the Introduction of Resolutions and guests. Agreed.

Announcements

The Clerk announced the following meeting:

Majority Caucus, 12 Noon, Room 149, May 18, 1993.

Health and Welfare, cancelled, May 18, 1993.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Wednesday, May 19, 1993.

On the roll call the vote was yeas 82—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Buis, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Collins, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Hourigan, Johnson, Keith, Kerr, Lear, Lee, Lewis, Little, Lyne, Maggard, Mason, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rasche, Reinhardt, Richards, Ridley, Riggs, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 4—Deskins, LeMaster, Lile, Lindsay.

The motion to adjourn was adopted.

WEDNESDAY, MAY 19, 1993

EIGHTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend K. L. Moore, First Baptist Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Allen, Bryant, Coleman, Deskins, Little, Long, McElroy, Mullinix and Ridley.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 18, 1993 be dispensed with and the same approved. Agreed.

Floor Amendments

Floor Title Amendment to the Committee Substitute No. 2 to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1/HCS2** by amending the title to read: "AN ACT relating to health and safety, providing for revenues to finance health care, making appropriations, and declaring an emergency."

Representative Hourigan moved that the rules be suspended to allow floor privileges to special guests and to act upon a Resolution. Agreed.

Representative Hourigan moved the adoption of the following **HR 20**:

HR 20, A RESOLUTION honoring the 1993 state champion Marion County High School Boys Basketball Team.

WHEREAS, a devastating 16-2 run in the third quarter carried the Knights of Marion County to victory over Lexington Dunbar in the seventy-sixth Kentucky State Basketball championship game on March 20, 1993; and

WHEREAS, second-ranked, Fifth Region champs, Marion County, had lost twice to Dunbar in the regular season and were making their first trip to the Sweet Sixteen; and

WHEREAS, the Knights, with a 38-2 win loss record, found themselves down 35-27 going into the third quarter; and

WHEREAS, the Fifth Region champs, who had beaten Christian County, Warren Central, and Male High School on the way to the championship game, were not to be denied and came out firing in the second half to take the lead before an estimated crowd of 22,175 fans in Rupp Arena; and

WHEREAS, Elton Scott led Marion County with twenty four points, Anthony Epps was chosen the tourney's Most Valuable Player and their teammates provided magnificent help;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this august body does hereby congratulate the achievement of the Marion County Knights Boys Basketball Team in winning the State Championship on their first trip to the Sweet Sixteen.

Section 2. That the House applauds the teamwork shown by the Knights in achieving their goal and the support and assistance provided by head coach Tim Davis, assistant coaches Josh McKay, Terry Wright, and Danny Marks, and managers Neal Brown, Eric Maupin, Shawn Bell, Byron Douglas, and Kevin Rogers.

Section 3. That the House also recognizes the members of the championship team: Anthony Epps, Elton Scott, Michael Douglas, Derrick English, Vincent Biggers, Stuart O'Daniel, Alex Crume, Jute Belle, Steven Ferriell, Craig Mattingly, Tommy Owen, Quincy Bell, Anthony Owens, Brad Cox, and Rusty Wood.

Section 4. That the Clerk of the House of Representatives is directed to transmit 9 copies of this Resolution to Coach Tim Davis, Marion County High School, 735 East Main Street, Lebanon, Kentucky 40033.

HR 20 was adopted by voice vote.

Representative Hourigan moved that a call of the roll be taken to show co-sponsors of **HR 20**. Agreed.

On the roll call the vote was yeas 72—Ackerson, Adams, Adkins, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Buis, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Farley, Ford, Fox, French, Geveden, Graham, Gray, Hancock, J. Harper, Hatcher, Hourigan, Jensen, Johnson, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Lyne, Maggard, Mason, Moberly, Napier, Nelson, Nesler, Noland, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Riggs, Riner, Scorsone, Shacklette, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Maggard moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Maggard moved the adoption of the following **HR 14**:

HR 14, A RESOLUTION adjourning in honor of Jason Todd Watts.

With deepest gratitude, we pay tribute to Jason Todd Watts.

WHEREAS, Jason Todd Watts was a pioneer in the medical field of neurology at the University of Kentucky Medical Center in May of 1967 as a three-month-old; and

WHEREAS, the pain, suffering, and hardships faced by Jason Todd Watts and his family, consisting of his mother, Betty Deaton Watts; father, Forster Watts; grandmother, Nancy C. Deaton; and sister, Florence Ann Haydon, was met with great faith in God and strength from within; and

WHEREAS, the University of Kentucky Medical Center neurological staff performed one of the first surgeries related to hydrocephalus; and

WHEREAS, the insertion of one of the first shunts in the United States was performed in Lexington, Kentucky, on Jason Todd Watts; and

WHEREAS, the side effects of the shunt were first dealt with via experimentation, more surgeries, and therapy performed on Jason Todd Watts; and

WHEREAS, the strong constitution and courage of Jason Todd Watts have been an inspiration to all; and

WHEREAS, the enrichment of neurology utilizing the knowledge gained from this first shunt has led to the insertion of shunts on an almost routine basis and assists other areas of medicine, including pulmometry, oncology, and angiology;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this House does hereby express its profound sense of thankfulness to Jason Todd Watts for being a pioneer in this area and extends its most heartfelt gratitude for all of those who have benefited from his experiences.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of Jason Todd Watts.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Betty Watts, Breathitt County High School, Jackson, Kentucky 41339.

HR 14 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended to introduce guests. Agreed.

Floor Amendments (Continued)

Floor Title Amendment No. 2 to the Committee Substitute No. 2 to **HB 1**, by Representative Scorsone:

Amend printed copy of **HB 1**/HCS2 by amending the title to read: "AN ACT relating to health and safety, providing for revenues to finance health care, making appropriations, and declaring an emergency."

Floor Amendment No. 20 to the Committee Substitute No. 2 to **HB 1**, by Representative Scorsone:

Amend printed copy of **HB 1**/HCS2 on page 15, after line 1 but before line 2, by inserting the following language:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) An amount necessary to result in a total fund of seventy-five million dollars ($75,000,000), including provider tax revenues and federal matching funds, to the extent possible, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) The commissioner of the Department for Medicaid Services shall implement a disproportionate share program which will take into consideration the amount of service provided by hospitals for medicaid recipients beyond the covered days and individuals and families with incomes up to one hundred percent (100%) of the federal poverty level, as determined by the hospital pursuant to guidelines established by the Cabinet for Human Resources.

(6) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(7) All hospitals receiving reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department data on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients."; and

On page 15, line 2, by deleting "Section 20" and inserting "Section 21" in lieu thereof; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 26, line 12, by deleting "Section 21" and inserting "Section 22" in lieu thereof; and

On page 29, line 23, by deleting "Section 22" and inserting "Section 23" in lieu thereof; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 3, by deleting "Section 23" and inserting "Section 24" in lieu thereof; and

On page 30, line 9, by deleting "Section 24" and inserting "Section 25" in lieu thereof; and

On page 30, line 14, by deleting "Section 25" and inserting "Section 26" in lieu thereof; and

On page 30, line 18, by deleting "Section 26" and inserting "Section 27" in lieu thereof; and

On page 30, line 24, by deleting "Section 27" and inserting "Section 28" in lieu thereof; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 21 to the Committee Substitute No. 2 to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any provision of KRS 205.510 to 205.630 to the contrary, current eligible recipient groups under the state medicaid program shall not be expanded, unless expansion is required by a federal mandate, prior to April 1, 1994."; and by renumbering subsequent sections; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Title Amendment No. 3 to the Committee Substitute No. 2 to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1/HCS2** by amending the title to read: "AN ACT relating to health and safety, providing for revenues to finance health care, making appropriations, and declaring an emergency."

Floor Amendment No. 22 to the Committee Substitute No. 2 to **HB 1**, by Representative Mason:

Amend printed copy of **HB 1/HCS2** on page 4, line 10, after the word "***imposed***" by inserting the following language: "***on pharmacies, required to be permitted by KRS 315.0351,***"; and

On page 4, line 12, after the word "***which***" by deleting "***actual payment is received***" and inserting "***delivery is taken***"; and

On page 4, line 13, by deleting the period "." and inserting "***, and on other pharmacies required to be permitted by KRS Chapter 315 at the rate of twenty-five cents ($0.25) per prescription upon outpatient prescription drugs for which actual payment is received in this state on or after July 1, 1993.***"

Floor Amendment No. 4 to the Committee Substitute to **HB 3**, by Representative Lewis:

Amend printed copy of **HB 3/HCS** on page 9, line 5, after the word "***physician***" by inserting "***and dental.***"

Motions, Petitions and Communications

Representative Stumbo moved that no further business be conducted on this day other than the filing of floor amendments. Agreed.

Representative Stumbo moved that when the House does adjourn, it does so by voice vote. Agreed.

Representative Stumbo moved that when the House does adjourn it does so until 2:00 p.m., Thursday, May 20, 1993. Agreed.

Recess

Representative Stumbo moved that the House recess until 12 Noon. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Floor Amendments (Continued)

Floor Title Amendment No. 4 to the Committee Substitute No. 2 to **HB 1**, by Representative Gray:

Amend printed copy of **HB 1/HCS2** by amending the title to read: "AN ACT relating to health and safety, providing for revenues to finance health care, making appropriations, and declaring an emergency."

Floor Amendment No. 23 to the Committee Substitute No. 2 to **HB 1**, by Representative B. R. Smith:

Amend printed copy of **HB 1/HCS2** on page 3, line 3, by deleting the word "***and***"; and

On page 3, line 10, by deleting the period "." and inserting "***; and***"; and

On page 3, after line 10 but before line 11, by inserting the following language:

"***(c) Amounts received by health maintenance organizations as premium income.***"

Floor Amendment No. 24 to the Committee Substitute No. 2 to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any provision of KRS 205.510 to 205.630 to the contrary, current eligible recipient groups under the state medicaid program shall not be expanded, unless expansion is required by a federal mandate, prior to April 1, 1994."; and by renumbering subsequent sections; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 5 to the Committee Substitute to **HB 3**, by Representative Worthington:

Amend printed copy of **HB 3/HCS** on page 9, after line 9, by inserting the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any provision of KRS 205.510 to 205.630 to the contrary, current eligible recipient groups under the state medicaid program shall not be expanded, unless expansion is required by a federal mandate, prior to April 1, 1994."

Representative L. Clark moved that the floor remain open for the filing of floor amendments only. Agreed.

Recess

Representative L. Clarke moved that the House recess until 5:00 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Floor Amendments (Continued)

Floor Amendment No. 6 to the Committee Substitute to **HB 3**, by Representative Worthington:

Amend printed copy of **HB 3/HCS** on page 9, after line 9, by inserting the following:

"SECTION 2. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any provision of KRS 205.510 to 205.630 to the contrary, current eligible recipient groups under the state medicaid program shall not be expanded, unless expansion is required by a federal mandate, prior to July 1, 1994."

Floor Amendment No. 25 to the Committee Substitute No. 2 to **HB 1**, by Representative Worthington:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any provision of KRS 205.510 to 205.630 to the contrary, current eligible recipient groups under the state medicaid program shall not be expanded, unless expansion is required by a federal mandate, prior to July 1, 1994."; and by renumbering subsequent sections; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 26 to the Committee Substitute No. 2 to **HB 1**, by Representative Scorsone:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following language:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) An amount necessary to result in a total fund of seventy-five million dollars ($75,000,000), including provider tax revenues and federal matching funds, to the extent possible, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) The commissioner of the Department for Medicaid Services shall implement a disproportionate share program which will take into consideration the amount of service provided by hospitals for medicaid recipients beyond the covered days and individuals and families with incomes up to one hundred percent (100%) of the federal poverty level, as determined by the hospital pursuant to guidelines established by the Cabinet for Human Resources. Provided that no individual hospital shall receive distributions from the MAIT fund, that exceed indigent care provided by the hospital and documented to the Department for Medicaid Services, based upon compensation for the services at the facility's medicaid rate.

(6) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(7) All hospitals receiving reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department data on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients."; and

On page 15, line 2, by deleting "Section 20" and inserting "Section 21" in lieu thereof; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 26, line 12, by deleting "Section 21" and inserting "Section 22" in lieu thereof; and

On page 29, line 23, by deleting "Section 22" and inserting "Section 23" in lieu thereof; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 3, by deleting "Section 23" and inserting "Section 24" in lieu thereof; and

On page 30, line 9, by deleting "Section 24" and inserting "Section 25" in lieu thereof; and

On page 30, line 14, by deleting "Section 25" and inserting "Section 26" in lieu thereof; and

On page 30, line 18, by deleting "Section 26" and inserting "Section 27" in lieu thereof; and

On page 30, line 24, by deleting "Section 27" and inserting "Section 28" in lieu thereof; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 27 to the Committee Substitute No. 2 to **HB 1**, by Representative Stacy:

Amend printed copy of **HB 1/HCS2** on page 2, line 11, after the word "***regulation***" but before the underlined comma by inserting the following language: "***and any health maintenance organization receiving premium revenues in this state***"; and

On page 2, line 18, before the comma "***,***" by inserting the following: "***or by health maintenance organizations as premium revenues***"; and

On page 3, line 20, by inserting before "***A***" at the start of the paragraph a "***(1)***'; and

On page 3, line 24, after the comma "***,***" by deleting "***health maintenance organization***"; and

On page 3, line 25, by deleting "***services,***"; and

On page 4, after line 7 but before line 8, by inserting the following:

"***(2) A tax is hereby imposed on premium revenues received by health maintenance organizations on or after July 1, 1993, at a rate of two percent (2%) of the premium revenue received by every health maintenance organization in this state.***"

Floor Amendment No. 28 to the Committee Substitute No. 2 to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following language:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) An amount necessary to result in a total fund of one hundred million dollars ($100,000,000), including provider tax revenues and federal matching funds, to the extent possible, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) The commissioner of the Department for Medicaid Services shall implement a disproportionate share program, which may take into consideration the amount of service provided by hospitals for medicaid recipients beyond the covered days, individuals and families with incomes equal to the eligibility standards of the Kentucky medical assistance program as determined by the hospital, the percentage of total services rendered by the hospital that consists of services provided to medicaid recipients and persons receiving SSI benefits, the financial condition of the hospital, and other relevant factors. Pursuant to the guidelines established by the commissioner, a hospital shall receive distributions from the MAIT fund for indigent care services provided by the hospital and documented to the Department for Medicaid Services based upon compensation for the services at the facility's medicaid rate.

(6) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(7) All hospitals receiving reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department data on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients."; and

On page 15, line 2, by deleting "Section 20" and inserting "Section 21" in lieu thereof; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 26, line 12, by deleting "Section 21" and inserting "Section 22" in lieu thereof; and

On page 29, line 23, by deleting "Section 22" and inserting "Section 23" in lieu thereof; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 3, by deleting "Section 23" and inserting "Section 24" in lieu thereof; and

On page 30, line 9, by deleting "Section 24" and inserting "Section 25" in lieu thereof; and

On page 30, line 14, by deleting "Section 25" and inserting "Section 26" in lieu thereof; and

On page 30, line 18, by deleting "Section 26" and inserting "Section 27" in lieu thereof; and

On page 30, line 24, by deleting "Section 27" and inserting "Section 28" in lieu thereof; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 29 to the Committee Substitute No. 2 to **HB 1**, by Representative Stacy:

Amend printed copy of **HB 1/HCS2** on page 15, after line 1 but before line 2, by inserting the following language:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) An amount necessary to result in a total fund of one hundred twenty million dollars ($120,000,000), including provider tax revenues and federal matching funds, to the extent possible, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) The commissioner of the Department for Medicaid Services shall implement a disproportionate share program which will take into consideration the amount of service provided by hospitals for medicaid recipients beyond the covered days and individuals and families with incomes up to one hundred percent (100%) of the federal poverty level, as determined by the hospital pursuant to guidelines established by the Cabinet for Human Resources. Provided that no individual hospital shall receive distributions from the MAIT fund that exceed indigent care provided by the hospital and documented to the Department for Medicaid Services, based upon compensation for the services at the facility's medicaid rate.

(6) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(7) All hospitals receiving reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department data on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients."; and

On page 15, line 2, by deleting "Section 20" and inserting "Section 21" in lieu thereof; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "***136,713,600***" and inserting "***348,613,600***"; and

On page 26, line 12, by deleting "Section 21" and inserting "Section 22" in lieu thereof; and

On page 29, line 23, by deleting "Section 22" and inserting "Section 23" in lieu thereof; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 3, by deleting "Section 23" and inserting "Section 24" in lieu thereof; and

On page 30, line 9, by deleting "Section 24" and inserting "Section 25" in lieu thereof; and

On page 30, line 14, by deleting "Section 25" and inserting "Section 26" in lieu thereof; and

On page 30, line 18, by deleting "Section 26" and inserting "Section 27" in lieu thereof; and

On page 30, line 24, by deleting "Section 27" and inserting "Section 28" in lieu thereof; and

On page 30, line 15, by deleting "23" and inserting "24".

Floor Amendment No. 30 to the Committee Substitute No. 2 to **HB 1**, by Representative Stacy:

Amend printed copy of **HB 1**/HCS2 on page 1, line 11, after the word "***care***" by inserting "***, rehabilitation, or psychiatric***"; and

On page 1, after line 12 but before line 13, by inserting:

"***(5) "Hospital Services" means all inpatient and outpatient services provided by a hospital. Hospital services shall not include services provided by a non-contracted university operated hospital or hospitals operated by the federal government if necessary waivers are obtained by the Cabinet for Human Resources from the Health Care Financing Administration.***" and by renumbering subsequent subsections; and

On page 2, line 18, after the word "***services***" by inserting "***or hospital services***"; and

On page 2, line 22, after the word "***services***" by inserting "***or hospital services***"; and

On page 2, line 25, after the word "***services***" by inserting "***or hospital services***; and

On page 3, line 13, by deleting "***hospitals providing***"; and

On page 3, line 14, by deleting "***health care items or services***" and inserting "***hospital services***"; and

On page 3, line 16, by deleting "***health care***" and inserting "***hospital services***"; and

On page 3, line 17, by deleting "***items or services***".

Announcements

The Clerk announced the following meetings:

Health and Welfare, 10:00 a.m., May 20, 1993, Room 149.

House Chairs, fifteen minutes upon adjournment, Room 125.

Minority Caucus, fifteen minutes upon adjournment, Room 131.

Tourism, 10:30 a.m., May 20, 1993.

Adjournment

Representative Rapier moved that the House adjourn until 2:00 p.m., Thursday, May 20, 1993.

The motion that the House adjourn until 2:00 p.m., Thursday, May 20, 1993 was adopted by voice vote.

THURSDAY, MAY 20, 1993

NINTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Reverend Charles C. Ellestad, Church of the Ascension, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Callahan, Long and McElroy.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 19, 1993 be dispensed with and the same approved. Agreed.

Floor Amendments

Floor Title Amendment No. 5 to the Committee Substitute No. 2 to **HB 1**, by Representative Stacy:

Amend printed copy of **HB 1**/HCS by amending the title to read: "AN ACT relating to health and safety, providing for revenues to finance health care, making appropriations, and declaring an emergency."

Floor Amendment No. 31 to the Committee Substitute No. 2 to **HB 1**, by Representative Barrows:

Amend printed copy of **HB 1**/HCS 2 on page 15, after line 1 but before line 2, by inserting the following language:

"SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) An amount necessary to result in a total fund of one hundred twenty-five million dollars ($125,000,000), including provider tax revenues and federal matching funds, to the extent possible, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) The commissioner of the Department for Medicaid Services shall implement a disproportionate share program, which may take into consideration the amount of service provided by hospitals for medicaid recipients beyond the covered days, individuals and families with incomes equal to the eligibility standards of the Kentucky medical assistance program as determined by the hospital, the percentage of total services rendered by the hospital that consists of services provided to medicaid recipients and persons receiving SSI benefits, the financial condition of the hopsital, and other relevant factors. Pursuant to the guidelines established by the commissioner, a hospital shall receive distributions from the MAIT fund for indigent care services provided by the hospital and documented to the Department for Medicaid Services based upon compensation for the services at the facility's medicaid rate.

(6) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(7) All hospitals receiving reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department data on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients."; and

On page 15, line 2, by deleting "Section 20" and inserting "Section 21" in lieu thereof; and

On page 19, line 5, by deleting the new language; and

On page 19, line 6, by removing the brackets and strikethroughs; and

On page 19, line 7, by deleting the new language; and

On page 19, line 8, by removing the brackets and strikethroughs; and

On page 26, line 4, by deleting the new language; and

On page 26, line 5, by removing the brackets and strikethroughs; and

On page 26, line 6, by deleting "*136,713,600*" and inserting "*348,613,600*"; and

On page 26, line 12, by deleting "Section 21" and inserting "Section 22" in lieu thereof; and

On page 29, line 23, by deleting "Section 22" and inserting "Section 23" in lieu thereof; and

On page 29, line 25, by deleting "20 or 21" and inserting "21 or 22"; and

On page 30, line 1, by deleting "20" and inserting "21"; and

On page 30, line 2, by deleting "21" and inserting "22"; and

On page 30, line 3, by deleting "Section 23" and inserting "Section 24" in lieu thereof; and

On page 30, line 9, by deleting "Section 24" and inserting "Section 25" in lieu thereof; and

On page 30, line 14, by deleting "Section 25" and inserting "Section 26" in lieu thereof; and

On page 30, line 18, by deleting "Section 26" and inserting "Section 27" in lieu thereof; and

On page 30, line 24, by deleting "Section 27" and inserting "Section 28" in lieu thereof; and

On page 30, line 15, by deleting "23" and inserting "24".

Introduction of Bills and Resolutions

HR 25, by Representative Graham: A RESOLUTION honoring Melvin Howard upon his retirement.

HR 26, by Representative Graham: A RESOLUTION honoring Frank F. Vermillion upon his retirement.

HR 27, by Representatives Callahan, Donnermeyer, Sheehan, K. Harper, Kerr, Adams, French, Reinhardt and Walton: A RESOLUTION adjourning in loving memory and honor of Colonel Robert A. Shields of Southgate.

HR 28, by Representative Stacy: A RESOLUTION recognizing the St. Claire Medical Center of Rowan County.

HR 29, by Representative Ballard: A RESOLUTION adjourning in loving memory and honor of William Teague of Madisonville.

HR 30, by Representative Ridley: A RESOLUTION in loving memory and honor of former McLean County magistrate, Wayland Robertson.

HR 31, by Representative Collins: A RESOLUTION honoring Shauana Lynn Patton of Paintsville.

Report of Committees

The Committee on Health and Welfare reported **HB 6**, with Committee Substitute attached thereto, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 6, AN ACT relating to access to health services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 216.515 TO 216.530 IS CREATED TO READ AS FOLLOWS:

(1) No long-term care facility shall discriminate against any applicant for admission based on the applicant's status with regard to source of payment.

(2) Any violation of subsection (1) of this section shall constitute a Type "A" violation under KRS 216.557.

The Committee Substitute to **HB 6** is as follows:

HB 6, AN ACT relating to access to health services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 216.515 TO 216.530 IS CREATED TO READ AS FOLLOWS:

(1) No long-term care facility for which state and federal funds are or have been expended for capital construction or acquisition shall deny an eligible person seeking admission into a long-term care facility bed access based on the person's source of payment, and no eligible person seeking admission to a long-term care facility bed shall be denied access to the required services if appropriate payment can be rendered, and except as otherwise prohibited or allowed by state or federal law.

(2) Any violation of subsection (1) of this section shall constitute a Type "A" violation under KRS 216.557.

Representative Stumbo moved that the rules be suspended to allow announcements. Agreed.

Representative Richards announced a Majority Caucus upon recess in Room 327 of the Capitol.

Recess

Representative Stumbo moved that the House recess until Majority Caucus finishes meeting and members return to the House Chamber. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Floor Amendments (Continued)

Floor Amendment No. 7 to the Committee Substitute to **HB 3**, by Representative Palumbo:

Amend printed copy of **HB 3/HCS** on page 3, line 14, by bracketing and striking through the word "and"; and

On page 3, line 16, after "216.900" by inserting "***; and***" and bracketing and striking through "."; and after line 16 but before line 17, by inserting the following language "***(j) Services provided by health care practitioners governed under KRS Chapter 310.***"

Orders of the Day

HB 1, with Committee Substitutes, Floor Amendments and Floor Title Amendments attached thereto, taken from the Orders of the Day and ordered read at length for the third time. Representative Stumbo moved that it be read by title only and placed upon its passage. Agreed by a majority of members elected.

Representative Scorsone moved the adoption of Committee Substitute No. 2 to **HB 1**. Agreed.

Representative Stacy moved the adoption of Floor Amendment No. 29 to the Committee Substitute No. 2 to **HB 1**. Agreed.

Representative Worthington moved the adoption of Floor Amendment No. 25 to the Committee Substitute No. 2 to **HB 1**. Agreed.

Representative Scorsone moved that **HB 1**, by way of Committee Substitute No. 2 as amended, be passed.

Representative Bowling moved the adoption of Floor Amendment No. 8 to the Committee Substitute No. 2 to **HB 1**.

Representative Scorsone inquired if Floor Amendment No. 8 to the Committee Substitute No. 2 to **HB 1** complies with Rule 52 of the House.

The Chair ruled that Floor Amendment No. 8 to the Committee Substitute No. 2 to **HB 1** was in order.

Representative Bowling moved the adoption of Floor Amendment No. 8 to the Committee Substitute No. 2 to **HB 1**. Agreed.

Representative Scorsone moved that **HB 1**, by way of Committee Substitute No. 2 as amended, be passed.

Representative Barrows moved the adoption of Floor Amendment No. 28 to the Committee Substitute No. 2 to **HB 1**.

On the roll call the vote was yeas 42—Adams, Adkins, Allen, Altman, Ballard, Barrows, Bentley, Bruce, Bryant, Buis, Cyrus, DeWeese, Farley, Farrow, Ford, Gedling, Gee, Graham, Hancock, J. Harper, Heleringer, Hourigan, Jensen, Keith, Kerr, Lewis, Lyne, Maggard, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Ridley, Sanders, Todd, Turner, Walton, Worthington, Zimmerman. Nays 49—Ackerson, Bowling, Brown, Burch, Butler, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Damron, Deskins, Donnermeyer, French, Geveden, K. Harper, Hatcher, Johnson, Lear, Lee, LeMaster, Lile, Lindsay, Mason, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Trapp, Ward, Wayne, Yates.

Floor Amendment No. 28 to the Committee Substitute No. 2 to **HB 1** was rejected.

Representative Farrow moved the adoption of Floor Amendment No. 5 to the Committee Substitute No. 2 to **HB 1**.

On the roll call the vote was yeas 74—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bowling, Bruce, Bryant, Buis, Butler, Cave, Coleman, Crenshaw, Cyrus, Damron, Deskins, DeWeese, Donnermeyer, Farley, Farrow, Ford, French, Gedling, Gee, Geveden, Graham, Gray, J. Harper, K. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, LeMaster, Lewis, Lile, Lindsay, Lyne, Maggard, Moberly, Morris, Mullinis, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Sheehan, B. Smith, R. Smith, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Zimmerman. Nays 16—Bentley, Brown, Burch, L. Clark, P. Clark, Clarke, Collins, Curd, Mason, Rapier, Scorsone, Shacklette, Stacy, Ward, Wayne, Yates.

Floor Amendment No. 5 to the Committee Substitute No. 2 was adopted.

Representative Turner moved the adoption of Floor Amendment No. 16 to the Committee Substitute No. 2 to **HB 1**. Rejected.

Representative Mason moved the adoption of Floor Amendment No. 22 to the Committee Substitute No. 2 to **HB 1**. Agreed.

Representative Scorsone moved that **HB 1**, by way of Committee Substitute No. 2 as amended, be passed.

On the roll call the vote was: Yeas 68, Nays 24. (See May 20, 1993 roll call on **HB 1** - Appendix.)

HB 1, by way of Committee Substitute No. 2 as amended, was passed.

Representative Scorsone moved that the vote by which **HB 1**, by way of Committee Substitute No. 2 as amended, was passed be reconsidered and said motion be placed on the table. Agreed.

Representative Scorsone moved the adoption of the Floor Title Amendment No. 2 to the Committee Substitute No. 2 to **HB 1**. Agreed; and the title was agreed to.

Representative Stumbo moved that the vote by which Floor Title Amendment No. 2 to the Committee Substitute No. 2 to **HB 1** was adopted be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions and Communications

Representative Donnermeyer moved the adoption of the following **HR 27**:

HR 27, A RESOLUTION adjourning in loving memory and honor of Colonel Robert A. Shields of Southgate.

With deepest respect, we pay homage and tribute to the memory of our departed friend and public servant Colonel Robert A. Shields.

WHEREAS, Colonel Robert A. Shields, a native of Newport, Kentucky, was prematurely taken from us at age fifty-one, and crossed these earthly bounds on May 16, 1993; and

WHEREAS, Colonel Robert A. Shields stood guard over the City of Southgate with care and compassion, as he had watched over his mother, sisters, and younger brother after his father's untimely death; and

WHEREAS, Colonel Robert A. Shields, who always wanted to be a policeman, joined the Fort Thomas Police Department in 1968 and after gaining experience in other law enforcement agencies became Southgate Chief of Police in 1978; and

WHEREAS, Colonel Robert A. Shields "was a great person, . . . and told us that family was the most important thing in our life," according to acting Police Chief Charles Hazel; and

WHEREAS, Colonel Robert A. Shields, "epitomized everything you want to see in a chief . . . a professional in every way," in the eyes of Representative Jim Callahan, who, as a Southgate councilman nominated him for Chief of Police; and

WHEREAS, Colonel Robert A. Shields had served as president of the Kentucky Association of Chiefs of Police and was the current treasurer and had held offices and memberships in the International Association of Chiefs of Police, the Kentucky Peace Officers Association, the Northern Kentucky Police Chiefs Association, the Campbell County Fraternal Order of Police Lodge 10, and the Campbell County Police Chiefs Association;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby express their profound sense of loss upon the passing of Colonel Robert A. Shields and extends to his family its most heartfelt sympathy during these dark and painful hours.

Section 2. That when the House of Representatives adjourns this day, it does so in honor and loving memory of Colonel Robert A. Shields.

Section 3. That the Clerk of the House of Representatives is directed to transmit copies of this Resolution to his wife, Phyllis Shields, and his family.

HR 27 was adopted by voice vote.

Representative Collins moved the adoption of the following **HR 31**:

HR 31, A RESOLUTION honoring Shauna Lynn Patton of Paintsville.

WHEREAS, Shauna Lynn Patton is one of ten outstanding Kentucky teachers recognized by the Ashland Oil, Incorporated, Teacher Achievement Awards program; and

WHEREAS, Governor Brereton Jones, in presenting the award, said that "recognizing our teachers for their outstanding efforts helps promote excellence throughout Kentucky education"; and

WHEREAS, as a primary level teacher at Central Elementary School in Paintsville, Shauna Lynn Patton says, "I want to assist students in unlocking learning potential, not as a chore, but as a wonder in life"; and

WHEREAS, Shauna Lynn Patton was selected as Primary Teacher of the Year in 1991-92 at Central Elementary and always challenges her students and strives to keep learning alive;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby congratulate Shauna Lynn Patton upon receiving the Teacher Achievement Award and commends her as an example of leadership and a proponent of positive, quality education that is so essential in making our children competitive in world society.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of Shauna Lynn Patton.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Shauna Lynn Patton, Box 6698, Stambaugh, Kentucky, 41257.

HR 31 was adopted by voice vote.

Representative Stacy moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Stacy moved the adoption of the following **HR 28**:

HR 28, A RESOLUTION recognizing the St. Claire Medical Center of Rowan County.

WHEREAS, the St. Claire Medical Center has been selected to receive the National Rural Health Association's Outstanding Rural Practice Award for 1993; and

WHEREAS, this award recognizes the innovative and comprehensive approaches to rural health care delivery that the St. Claire Medical Center has used to improve access to their clients in rural areas; and

WHEREAS, excellence in such areas as outreach, preventive health and educational programs, quality and efficiency of care, and strong community support and involvement are but a few of the factors that led to the National Rural Health Association's award; and

WHEREAS, Sister Mary Jeannette, St. Claire President and CEO, was presented with the award and shared in a recognition ceremony held in Kansas City, Missouri;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this esteemed institution does hereby congratulate the St. Claire Medical Center on receiving the Outstanding Rural Practice Award for 1993.

Section 2. That the House of Representatives applauds the programs and teamwork of the St. Claire Medical Center and commends their example throughout our great Commonwealth as a model health care delivery network.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Sister Mary Jeannette, President, St. Claire Medical Center, 222 Medical Center Drive, Morehead, Kentucky 40351.

HR 28 was adopted by voice vote.

Representative Jensen moved that when the House does adjourn, it does so for three days without pay as permitted under Section 783 of Mason's Manual.

Representative Hancock inquired if the motion has a fiscal impact and is thereby subject to Rule 52 of the House.

The Speaker ruled that there is no fiscal impact.

The motion that the House adjourn for three days without pay was rejected.

Representative Ridley moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Ridley moved the adoption of the following **HR 30**:

HR 30, A RESOLUTION in loving memory and honor of former McLean County magistrate, Wayland Robertson.

WHEREAS, the great Stream of Life flows onward toward that final union with Almighty God, to pass eternity in His embrace; and

WHEREAS, on Thursday, April 22, Magistrate Wayland Robertson tragically died of a heart attack at the age of fifty-three; and

WHEREAS, Wayland Robertson will long be remembered for his dedication to his office; and

WHEREAS, when McLean County was facing a budget short-fall, Wayland Robertson selflessly supported reducing the number of its magistrates from seven to four, thus placing his own position in jeopardy; and

WHEREAS, Wayland Robertson will always be remembered for his warm personality, his cheerful disposition and fun-loving attitude, as well as his dedication and compassion for his fellow man; and

WHEREAS, Wayland Robertson's survivors include his beloved wife, Judy Robertson; his son, Greg Robertson; his daughter, Kristie R. Pedley; his father, W. K. Robertson; two grandsons, Evan Kyle Pedley and William Grant Pedley; and his sister, Sandra R. Pride;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives laments the untimely loss of Wayland Robertson, and extends its sympathy to his family.

Section 2. That this honorable body proudly presents this tribute to the family of Wayland Robertson, an outstanding Kentuckian who will be remembered as an exemplary representative of the Commonwealth of Kentucky by all who knew him.

Section 3. That the Clerk of the House of Representatives is directed to send five copies of this Resolution to Mrs. Judy Robertson, 2786 Kentucky, 593, Calhoun, Kentucky, 42327.

HR 30 was adopted by voice vote.

Representative Ballard moved the adoption of the following **HR 29**:

HR 29, A RESOLUTION adjourning in loving memory and honor of William Teague of Madisonville.

With heartfelt sorrow, we pay homage and tribute to the memory of our departed friend William Teague.

WHEREAS, William Teague crossed that final bourne from which no traveler returns on May 15, 1993; and

WHEREAS, William Teague was born in Hopkins County on November 8, 1927, the son of the late Frank Teague and Fairy M. Todd Teague; and

WHEREAS, William Teague was owner and operator of Westside Rock and Dirt in Madisonville and former operator of Teague's Shoprite Groceries in Henderson and Madisonville; and

WHEREAS, William Teague was a member of the Salem Primitive Baptist Church, the American Legion Post #6, and the Veteran of Foreign Wars Post #5480; and

WHEREAS, William Teague was the loving husband of the late June Clark Teague and a devoted father to his daughters, Beth King and Cindy Stewart;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby express their profound sense of loss upon the passing of William Teague and extend to his family their most heartfelt sympathy.

Section 2. That when the House of Representatives adjourns this day, it does so in loving memory and honor of William Teague.

Section 3. That the Clerk of the House of Representatives is directed to transmit one copy each of this Resolution to Ms. Beth King and Ms. Cindy Stewart in care of Barnett-Strother Funeral Home, 2285 North Main Street, Madisonville, Kentucky 42431.

HR 29 was adopted by voice vote.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Friday, May 21, 1993.

On the roll call the vote was yeas 82—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, Johnson, Kerr, Lear, Lee, Lewis, Lindsay, Lyne, Maggard, Mason, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Ridley, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, B. Smith, R. Smith, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Ward, Wayne, Worthington, Zimmerman. Nays 4—Hatcher, Heleringer, LeMaster, Lile.

The motion to adjourn was adopted.

FRIDAY, MAY 21, 1993

TENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Father Theodore Keller, Church of the Good Shepherd, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ackerson, Deskins, Fox, Gedling, Geveden, Hatcher, Heleringer, Johnson, Little, McElroy and Pearman.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 20, 1993 be dispensed with and the same approved. Agreed.

Senate Message

Announcing passage of **HB 2**. (Date: May 21, 1993. Time: 10:05 a.m.)

Representative Wayne moved that the rules be suspended to allow floor privileges to special guests, introduce and act upon two Resolutions. Agreed.

HR 34, by Representative Wayne: A RESOLUTION honoring the Saint Xavier Swim Team upon the occasion of winning the state swimming and diving championship.

Representative Wayne moved the adoption of the following **HR 34**:

HR 34. A RESOLUTION honoring the Saint Xavier Swim Team upon the occasion of winning the state swimming and diving championship.

WHEREAS, Saint Xavier led a relentless assault on the record books while winning its fifth straight high school boys' state swimming and diving championship; and

WHEREAS, overall the Tigers have won 29 state swimming and diving championships; and

WHEREAS, The Tigers won these five consecutive championships under the leadership of fifth-year coach Marty O'Toole; and

WHEREAS, the Tigers set three state relay records while amassing 330 points, 193 more than co-runners-up Fort Thomas Highlands and Bowling Green; and

WHEREAS, the victory "was a combination of team spirit and each one of them pushing the others forward," as Coach Marty O'Toole said; and

WHEREAS, the Tigers dominated the swim meet, setting records in the 200 medley relay, the 200 freestyle relay, and the 400 freestyle relay; and

WHEREAS, the Tigers' Eric Carter, Chip Crush, and Kevin Kling won the 50 freestyle, 100 freestyle, and 100 breaststroke races, respectively; and

WHEREAS, in the words of Coach Marty O'Toole, "it was just a total team effort again";

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House of Representatives are delighted to have these state champions as their guests today.

Section 2. That this honorable body praises the performance of each member of the team and Coach Marty O'Toole.

Section 3. That the Clerk of the House is directed to send a copy of this Resolution to Coach Marty O'Toole, Saint Xavier High School, 1609 Poplar Level Road, Louisville, Kentucky 40217.

HR 34 was adopted by voice vote.

HR 35, by Representative Wayne: A RESOLUTION honoring the Saint Xavier Tennis Team upon the occasion of their entry in the state high school tennis regionals.

Representative Wayne moved the adoption of the following **HR 35**:

HR 35, A RESOLUTION honoring the Saint Xavier Tennis Team upon the occasion of their entry in the state high school tennis regionals.

WHEREAS, the Tigers' dual record is 13-2; and

WHEREAS, the Tigers are under the able leadership of Coach Joe Kroh; and

WHEREAS, this fine team and its coach have earned the respect and admiration of opposing players, coaches, and fans throughout the Commonwealth of Kentucky;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House of Representatives are delighted to have these state champions as their guests today.

Section 2. That this honorable body praises the performance of each member of the team and Coach Joe Kroh.

Section 3. That the Clerk of the House is directed to send a copy of this Resolution to Coach Joe Kroh, Saint Xavier High School, 1609 Poplar Level Road, Louisville, Kentucky 40217.

HR 35 was adopted by voice vote.

Representative Wayne moved that a call of the roll be taken to show co-sponsors of **HR 34** and **HR 35**. Agreed.

On the roll call the vote was yeas 68—Adams, Adkins, Allen, Altman, Ballard Bentley, Bowling, Brown, Bruce, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Crenshaw, Curd, Cyrus, Donnermeyer, Farley, Farrow, Ford, French, Gee, Graham, Gray, Hancock, J. Harper, K. Harper, Hourigan, Jensen, Kerr, Lear, Lee, Lewis, Lile, Long, Lyne, Maggard, Mason, Moberly, Morris, Napier, Nelson, Nesler, Northup, Nunn, Palumbo, Rapier, Richards, Riner, Sanders, Scorsone, Shacklette, Stacy, Stengel, Stumbo, Todd, Trapp, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Introduction of Bills and Resolutions

HB 9, by Representative French: AN ACT relating to insurance.

HCR 32, by Representative Lindsay: A CONCURRENT RESOLUTION to adjourn the 1993 Second Extraordinary Session of the General Assembly sine die.

HR 33, by Representative Lindsay: A RESOLUTION to refer health care reform legislation currently before the General Assembly to the appropriate interim joint committees for further study.

HR 36, by Representative Graham: A RESOLUTION honoring Robert D. Campbell, Kenneth Caudill, Gerald Rhoades, Melvin Howard, and Frank F. Vermillion upon their retirement.

HR 37, by Representative Palumbo: A RESOLUTION honoring Martha Thomas Graham and Garnett Davis Graham upon the occasion of their sixtieth wedding anniversary.

Representative Stumbo moved that the rules be suspended to introduce guests. Agreed.

Recess

Representative Stumbo moved that the House recess for five minutes for the Committee on Committees to meet in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill:

Banking and Insurance: **HB 9**

Calendar

HB 6 taken from the Calendar and ordered read at length for the second time. Representative Stumbo moved that it be read by title only. Agreed by a majority of members elected. Ordered referred to the Committee on Rules.

Motions, Petitions and Communications

Representative Palumbo moved the adoption of the following **HR 37**:

HR 37, A RESOLUTION honoring Martha Thomas Graham and Garnett Davis Graham upon the occasion of their sixtieth wedding anniversary.

WHEREAS, marriage is a sacred bond of love, trust, mutual respect, and partnership; and

WHEREAS, Garnett Davis Graham and Martha Thomas Graham were united in holy matrimony on May 21, 1933, in Jeffersonville, Indiana; and

WHEREAS, Martha Thomas Graham is a native of Leitchfield, Grayson County, Kentucky, and Garnett Davis Graham is a native of Greensburg, Green County, Kentucky; and

WHEREAS, Garnett Davis Graham and Martha Thomas Graham are the loving parents of Garnett Davis Graham, Jr. and Jack Thomas Graham and proud grandparents of two granddaughters;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly honors Garnett Davis Graham and Martha Thomas Graham upon the occasion of their sixtieth wedding anniversary on May 21, 1993.

Section 2. That this honorable body holds the institution of marriage in high esteem and is proud and honored to congratulate Martha Thomas Graham and Garnett Davis Graham upon the occasion of their sixtieth wedding anniversary.

Section 3. That a reception is being held in their honor on May 23, 1993, from 2 to 5 p.m. at 533 Dover Road in Lexington, Kentucky, where friends and relatives will join them in celebrating their sixtieth wedding anniversary.

Section 4. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mr. and Mrs. G. D. Graham, 410 Henry Clay Boulevard, Lexington, Kentucky 40502.

HR 37 was adopted by voice vote.

Representative Nunn moved the adoption of the following **HR 18**:

HR 18, A RESOLUTION in loving memory of James Edward Gillenwater.

The most prominent glory of a country is in its great men - a nation's spirit and its success will depend on its willingness to learn from their example. In life we shall find many men that are great and some men that are good, but very few men that are both great and good.

WHEREAS, James Edward Gillenwater was born on September 24, 1921, a native of Tompkinsville, Monroe County, Kentucky, and traversed these earthly bounds on May 8, 1993; and

WHEREAS, James Edward Gillenwater was the adored son of Lillian Chism Gillenwater and William P. Gillenwater, who preceded him in death; and

WHEREAS James Edward Gillenwater was the devoted husband of Marquita Peel Gillenwater, loving father of Tim Gillenwater and Emily G. Laird and proud grandfather of five grandchildren; and

WHEREAS, James Edward Gillenwater attended Western Kentucky University and graduated from Vanderbilt University School of Law in 1949; and

WHEREAS, James Edward Gillenwater served as Police Judge for the city of Glasgow from 1950 to 1957; and

WHEREAS, James Edward Gillenwater served three terms as Barren County Judge from 1958 to 1970; and

WHEREAS, James Edward Gillenwater was former president of the Kentucky County Judges Association and served on the State Board of Tax Appeals; and

WHEREAS, James Edward Gillenwater was active in the Glasgow Highland Games and the Clan Chisholm Society of North America, and was a member of the National Trigg Foxhunters Association; and

WHEREAS, James Edward Gillenwater served his country with distinction in the United States Army during World War II in Europe and the Pacific, was commissioned captain, and awarded a Purple Heart, a Bronze Star, and the combat infantry badge; and

WHEREAS, James Edward Gillenwater helped establish the South Central Rural Telephone Cooperative and was instrumental in building the present Barren County Courthouse which was dedicated on May 8, 1965; and

WHEREAS, all who knew and admired James Edward Gillenwater will grieve over their loss, and he is mourned across the length and breadth of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives does hereby express its profound sense of sorrow upon the passing of James Edward Gillenwater and does extend to his family its most heartfelt sympathy.

Section 2. That when the House adjourns this day, it does so in loving memory and honor of James Edward Gillenwater.

Section 3. That the Clerk of the House is hereby directed to transmit a copy of this resolution to Mrs. Marquita Peel Gillenwater, P.O. Box 526, Glasgow, Kentucky 42141.

HR 18 was adopted by voice vote.

Representative Graham moved the adoption of the following **HR 21**:

HR 21, A RESOLUTION honoring Robert D. Campbell upon his retirement.

With kindest respect and with deepest admiration, we pay tribute to Robert D. Campbell, retiring educator.

WHEREAS, Robert D. Campbell has served with distinction as educator, coach, Head Start director, and Assistant Superintendent of the Clark County Schools system; and

WHEREAS, the strong leadership of Robert D. Campbell has contributed to the standard of academic excellence established by the administrations and student bodies he has represented; and

WHEREAS, Robert D. Campbell exemplifies the dedication, professionalism, and high standards that educators seek to achieve; and

WHEREAS, Robert D. Campbell will retire as assistant superintendent of Clark County Schools in Winchester, Kentucky on June 30, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and honors Robert D. Campbell for his outstanding contributions in the field of education, and wishes him continued success in all future endeavors.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Mr. Robert D. Campbell, 670 McClure Road, Winchester, Kentucky 40391.

HR 21 was adopted by voice vote.

Representative Graham moved the adoption of the following **HR 22**:

HR 22, A RESOLUTION honoring Kenneth Caudill upon his retirement.

With kindest respect and with deepest admiration, we pay tribute to Kenneth Caudill, retiring educator.

WHEREAS, Kenneth Caudill has served with distinction as educator and principal of Becknerville and Providence Schools in the Clark County Schools system for twenty-nine years; and

WHEREAS, the strong leadership of Kenneth Caudill has contributed to the standard of academic excellence established by the administrations and student bodies he has represented; and

WHEREAS, Kenneth Caudill exemplifies the dedication, professionalism, and high standards that educators seek to achieve; and

WHEREAS, Kenneth Caudill will retire as principal of Becknerville and Providence Schools on June 30, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and honors Kenneth Caudill for his outstanding contributions in the field of education, and wishes him continued success in all future endeavors.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Mr. Kenneth Caudill, 12 Stephens Avenue, Winchester, Kentucky 40391.

HR 22 was adopted by voice vote.

Representative Graham moved the adoption of the following **HR 23**:

HR 23, A RESOLUTION honoring Gerald D. Roades upon his retirement.

With kindest respect and with deepest admiration, we pay tribute to Gerald D. Roades, retiring educator.

WHEREAS, Gerald D. Roades has served with distinction as educator and principal for thirty-one years; and

WHEREAS, the strong leadership of Gerald D. Roades has contributed to the standard of academic excellence established by the administrations and student bodies he has represented over the past thirty-one years; and

WHEREAS, Gerald D. Roades exemplifies the dedication, professionalism, and high standards that educators seek to achieve; and

WHEREAS, Gerald D. Roades will retire as assistant principal of George Rogers Clark High School in Winchester, Kentucky, on June 30, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and honors Gerald D. Roades for his outstanding contribution in the field of education, and wishes him continued success in all future endeavors.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Mr. Gerald D. Roades, 1 Colby Hills Circle, Winchester, Kentucky 40391.

HR 23 was adopted by voice vote.

Representative Graham moved the adoption of the following **HR 25**:

HR 25, A RESOLUTION honoring Melvin Howard upon his retirement.

With kindest respect and with deepest admiration, we pay tribute to Melvin Howard, retiring educator.

WHEREAS, Melvin Howard has served with distinction as educator and principal of Trapp Elementary and Pilot View Elementary in the Clark County school system; and

WHEREAS, the strong leadership of Melvin Howard has contributed to the standard of academic excellence established by the administrations and student bodies he has represented; and

WHEREAS, Melvin Howard exemplifies the dedication, professionalism, and high standards that educators seek to achieve; and

WHEREAS, Melvin Howard will retire as educator and principal of the Clark County school system in Winchester, Kentucky, on June 30, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and honors Melvin Howard for his outstanding contributions in the field of education, and wishes him continued success in all future endeavors.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Mr. Melvin Howard, 5724 Lexington Road, Winchester, Kentucky, 40391.

HR 25 was adopted by voice vote.

Representative Graham moved the adoption of the following **HR 26**:

HR 26, A RESOLUTION honoring Frank F. Vermillion upon his retirement.

With kindest respect and with deepest admiration, we pay tribute to Frank F. Vermillion, retiring educator.

WHEREAS, Frank F. Vermillion has served with distinction as educator, director of pupil personnel, supervisor, and principal in the Clark County school system; and

WHEREAS, the strong leadership of Frank F. Vermillion has contributed to the standard of academic excellence established by the administrations and student bodies he has represented; and

WHEREAS, Frank F. Vermillion exemplifies the dedication, professionalism, and high standards that educators seek to achieve; and

WHEREAS, Frank F. Vermillion will retire from the Clark County school system in Winchester, Kentucky, on June 30, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and honors Frank F. Vermillion for his outstanding contributions in the field of education, and wishes him continued success in all future endeavors.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Mr. Frank F. Vermillion, 222 Fulton Road, Winchester, Kentucky, 40391.

HR 26 was adopted by voice vote.

Representative Callahan moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Callahan moved that he be recorded as voting "yea" on **HB 1**. Agreed.

Representative Damron moved the adoption of the following **HR 12**:

HR 12, A RESOLUTION in honor of Thomas Bruner upon the occasion of his retirement as Jessamine County Jailer.

WHEREAS, for the previous twenty-seven years, Thomas Bruner has faithfully served as Jessamine County Jailer in Nicholasville, Kentucky; and

WHEREAS, Thomas Bruner is the devoted husband of Mary Bruner and the loving father of Teresa Bruner Bibb, Larry Bruner and David Bruner; and

WHEREAS, Thomas Bruner is to be commended for his many years of dedicated service and tireless efforts as Jessamine County Jailer; and

WHEREAS, Thomas Bruner retired as Jessamine County Jailer on April 1, 1993; and

WHEREAS, Thomas Bruner has been an inspiration to all who know and admire him;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its deep sense of appreciation to Thomas Bruner for his many years of service to his community and wishes him continued success in all future endeavors.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Thomas Bruner, 272 Murphy Lane, Nicholasville, Kentucky 40356.

HR 12 was adopted by voice vote.

Representative Ballard moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Ballard moved that his vote be changed from "yea" to "nay" on **HB 1**. Agreed.

Representative Long moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Long moved that he be recorded as voting "yea" on **HB 1**. Agreed.

Representative Farley moved that the rules be suspended to introduce guests. Agreed.

Representative Rapier moved that the rules be suspended to introduce guests. Agreed.

Adjournment

Representative Stumbo moved that the House adjourn until 2:00 p.m., Monday, May 24, 1993.

On the roll call the vote was yeas 70—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, French, Gee, Hancock, J. Harper, K. Harper, Hourigan, Jensen, Kerr, Lear, Lee, Lewis, Long, Lyne, Maggard, Mason, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Rapier, Reinhardt, Richards, Sanders, Scorsone, Shacklette, Sheehan, Stacy, Stengel, Stumbo, Turner, Walton, Ward, Wayne, Worthington, Zimmerman. Nays 2—LeMaster, Lile.

The motion to adjourn was adopted.

MONDAY, MAY 24, 1993

ELEVENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Father Gerald Baker, Saints Peter and Paul Catholic Church, Hopkinsville.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Allen, Bowling, Brown, Deskins, French, Geveden, Hatcher, Heleringer, Hourigan, Johnson, LeMaster, Lewis, Lile, Lindsay, Little, McElroy, Mullinix, Nelson, Rasche, Ridley, Scorsone, Sheehan, B. R. Smith, R. Smith and Stengel.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 21, 1993 be dispensed with and the same approved. Agreed.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 2** has been examined and found correctly enrolled. Said Bill was read at length, compared and signed in open session by the Speaker, and ordered delivered to the Senate. (Time - 2:07 p.m.)

Introduction of Bills and Resolutions

HR 38, by Representatives Bruce and Morris: A RESOLUTION recognizing and honoring Father Gerald Baker, founder of St. Luke's Free Clinic of Hopkinsville.

HR 39, by Representative Barrows: A RESOLUTION adjourning in honor of MacKenzie T. "Mack" Miller.

Motions, Petitions and Communications

Representative Morris moved the adoption of the following **HR 38**:

HR 38, A RESOLUTION recognizing and honoring Father Gerald Baker, founder of St. Luke's Free Clinic of Hopkinsville.

WHEREAS, in these contentious days when progress on health care issues is often sought but hard to find; and

WHEREAS, in Hopkinsville, Kentucky, there has been no such problem, as the St. Luke's Free Clinic has sprung into being almost overnight to serve the working poor of Christian, Todd, Trigg, and Caldwell Counties; and

WHEREAS, in the words of Loretta Taylor of Pembroke, one of St. Luke's first patients, "I think this is a gift from the Lord"; and

WHEREAS, Father Gerald Baker, pastor of Saints Peter and Paul Catholic Church, and co-founder Dr. William Sweet, a family practitioner, would most certainly agree that a little help from the Lord was instrumental in creating St. Luke's Free Clinic; and

WHEREAS, St. Luke's Free Clinic serves clientele not eligible for Medicaid or other standard programs and is staffed entirely with volunteer help from the community at large;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body applauds and congratulates the leadership of Father Gerald Baker and co-founder Dr. William Sweet in creating the St. Luke's Free Medical Clinic.

Section 2. That the House of Representatives holds in high esteem the support and teamwork displayed by the citizens of Christian County and others who have rallied together to take action on behalf of their community and commends their example throughout our great Commonwealth.

Section 3. That the Clerk of the House of Representatives is directed to transmit two copies of this Resolution to Father Gerald Baker, St. Luke's Free Clinic of Hopkinsville, 902 East 9th Street, Hopkinsville, Kentucky 42240.

HR 38 was adopted by voice vote.

Representative Fox moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Fox moved that he be recorded as voting "yea" on **HB 1**. Agreed.

Representative Barrows moved the adoption of the following **HR 39**:

HR 39, A RESOLUTION adjourning in honor of MacKenzie T. "Mack" Miller.

WHEREAS, on May 1, 1993, Virginia-bred Sea Hero won the 119th Kentucky Derby in the time of 2:02 2/5; and

WHEREAS, on that exciting day, Kentucky-bred "Mack" Miller, trainer of Sea Hero, and owner-breeder Paul Mellon watched as their lifetime dream became reality in the world-renowned horserace, known affectionately as the "Run for the Roses"; and

WHEREAS, "Mack" Miller, a native of Versailles, Kentucky, and Hall of Fame horse trainer, has been associated with the thoroughbred industry for forty-six years, beginning in 1947 as a $125-a-month worker at Calument Farm; in 1948 he joined trainer Kirtley Cleveland as a foreman and in 1949 obtained his training license; he was a trainer for Charles Englehard from the 1960s through early 1970s; and in 1977, he became trainer for Paul Mellon, owner of Rokeby Farm in Virginia; and

WHEREAS, "Mack" Miller is the devoted husband of Martha McCauley Miller and the loving father of Martha M. Queen and Todd Miller; and

WHEREAS, "Mack" Miller has accomplished what few men have gained, and throughout his career has been humble when praised, which is a great and rare attainment;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives proudly hails and honors MacKenzie T. "Mack" Miller for his many outstanding contributions to the thoroughbred industry and wishes him continued success in all future endeavors.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of MacKenzie T. "Mack" Miller.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this resolution to Mr. MacKenzie T. "Mack" Miller, 99 7th Street, Apartment 3-D, Garden City, New York 11530.

HR 39 was adopted by voice vote.

Representative Napier moved that the rules be suspended for the purpose of recording a vote. Agreed.

Representative Napier moved that his vote be changed from "yea" to "nay" on **HB 1**. Agreed.

Representative Stumbo moved that the Rules be suspended for the purpose of making a motion concerning co-sponsors. Agreed.

Representative Stumbo moved that all properly filed co-sponsor requests be approved. Agreed.

The following members filed requests to have their names added as co-sponsors of Bills and Resolutions:

HB 7, Representative Ackerson; **HR 4**, Representative Deskins; **HR 16**, Representative Ward; **HR 12**, Representative Barrows.

Representative Stumbo moved to allow floor privileges to guests. Agreed.

Representative Stumbo announced that the House would tentatively convene at 2:00 p.m., Wednesday, May 26, 1993.

Announcements

The Clerk announced the following meeting:

Health and Welfare, 11:00 a.m., Tuesday, May 25, 1993, Room 129.

Adjournment

Representative Stumbo moved that the House adjourn until 9:00 a.m., Tuesday, May 25, 1993.

On the roll call the vote was yeas 68—Ackerson, Adams, Adkins, Altman, Arnold, Ballard, Bentley, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, Gedling, Gee, Graham, Gray, Hancock, J. Harper, K. Harper, Jensen, Kerr, Lear, Lee, Long, Lyne, Maggard, Mason, Moberly, Morris, Napier, Nesler, Noland, Northup, Palumbo, Pearman, Rapier, Reinhardt, Richards, Riner, Sanders, Shacklette, Stacy, Stumbo, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

The motion to adjourn was adopted.

TUESDAY, MAY 25, 1993

TWELFTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Dr. Gary Straub, First Christian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ackerson, Bowling, Bryant, Burch, Deskins, Gedling, Geveden, Hatcher, Johnson, Lear, Lewis, Lindsay, Little, Maggard, McElroy, Mullinix, Rasche, Ridley, Sheehan, B. R. Smith and R. Smith.

Representative Bentley moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Bentley moved that the reading of the Journal of May 24, 1993 be dispensed with and the same approved. Agreed.

Report on Enrolled Bills

HB 2 was delivered to the Senate and signed by the President. Delivered to the Governor on May 24, 1993 at 4:17 p.m.

Representative LeMaster moved that the rules be suspended to grant floor privileges to special guests and to introduce and act upon a resolution. Agreed.

HR 41, by Representatives LeMaster and Arnold: A RESOLUTION honoring the Nicholas County High School girls state champion basketball team.

Representative LeMaster moved the adoption of the following **HR 41**:

HR 41, A RESOLUTION honoring the Nicholas County High School girls state champion basketball team.

WHEREAS, the Nicholas County Lady Jackets took home their first Sweet Sixteen title in winning the State Tournament championship game against Warren East 48-46; and

WHEREAS, Nicholas County completed a sweep of state tournaments this season since they also won the All "A" Classic for small schools in February; and

WHEREAS, the Lady Jacket's Kim Denkins, a six-foot-four junior center, won the Most Valuable Player award and contributed twenty-five points and eighteen rebounds in the title game; and

WHEREAS, Nicholas County, ranked fourth in the Courier-Journal's Litkenhous Ratings, beat number one Clay County; number two Whitesburg, Calloway County; and number seven Warren East in rolling to their twenty-third straight victory and thirty-seventh of the season against only two defeats;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby congratulate the Nicholas County High School Lady Jackets basketball team for winning the thirty-second girls Sweet Sixteen state championship and completing a sweep of state titles.

Section 2. That the House of Representatives commends the support and guidance provided by head coach Barbara Kenney, assistant coaches Mike Kenney and Penny Bretz, managers Joey Kenney and Jennifer Livingood and players Kayo Ko Takamura, Renee Linville, Christie Hatton, Nikki Smoot, Tina Fryman, Kim Denkins, Elizabeth Schanding, Jennifer Willoughby, Alicia Sibert, Tawnya Livingood, Michella Hopkins, Tara George, and Melanie Jones.

Section 3. That the Clerk of the House of Representatives is directed to transmit eighteen copies of this Resolution to Coach Barbara Kenney, Nicholas County High School, 103 School Drive, Carlisle, Kentucky 40311.

HR 41 was adopted by voice vote.

Introduction of Bills and Resolutions

HR 40, by Representatives Clarke, L. Clark, Rapier, Richards and Stumbo: A RESOLUTION relating to proposed federal legislation concerning federal mandates.

HR 42, by Representative Brown: A RESOLUTION congratulating retiring Circuit Clerk Charles "Bill" Medley, and adjourning in his honor.

Representative Stumbo moved that the House recess for five minutes for a meeting of the Committee on Committees in the Speaker's office. Agreed.

Representative Stumbo moved that the rules be suspended for the Introduction of Bills and Resolutions. Agreed.

Introduction of Bills and Resolutions

HB 10, by Representative Gray: AN ACT relating to health.

Recess

Representative Stumbo repeated the motion that the House recess for five minutes for a meeting of the Committee on Committees in the Speaker's office. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Reference of Bills and Resolutions

The Clerk reported that the Committee on Committees has referred the following Bill:

Health and Welfare: **HB 10**

Motions, Petitions and Communications

Representative Stumbo announced that if the 1993 2nd Extraordinary Special Session of the General Assembly does not conclude on Wednesday, May 26, 1993, tentative times for convening will be 10:00 a.m., Thursday, May 27, 1993 and 10:00 a.m., Friday, May 28, 1993.

Representative Graham moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Graham moved the adoption of the following **HR 36**:

HR 36, A RESOLUTION honoring Robert D. Campbell, Kenneth Caudill, Gerald Rhoades, Melvin Howard, and Frank F. Vermillion upon their retirement.

With kindest respect and with deepest admiration, we pay tribute to these retiring educators.

WHEREAS, these men have served with distinction as educators and administrators in the Clark County School System; and

WHEREAS, the strong leadership of these men have contributed to the standard of academic excellence established by the administrations and student bodies they have represented over the past years; and

WHEREAS, they have exemplified the dedication, professionalism and high standards that educators seek to achieve; and

WHEREAS, they will retire as administrators of the Clark County School System on June 30, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and honors these men for their outstanding contributions in the field of education, and wishes them continued success in all future endeavors.

Section 2. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to: Mr. Frank F. Vermillion, 222 Fulton Road, Winchester, Kentucky 40391; Mr. Robert D. Campbell, 670 McClure Road, Winchester, Kentucky 40391; Mr. Kenneth Caudill, 12 Stephens Avenue, Winchester, Kentucky 40391; Mr. Gerald D. Rhoades, 1 Colby Hills Circle, Winchester, Kentucky 40391; and Mr. Melvin Howard, 5724 Lexington Avenue, Winchester, Kentucky 40391.

HR 36 was adopted by voice vote.

Representative Brown moved the adoption of the following **HR 42**:

HR 42, A RESOLUTION congratulating retiring Circuit Clerk Charles "Bill" Medley, and adjourning in his honor.

WHEREAS, in these difficult times when public servants are all too often regarded with ill will by their constituents, there are, fortunately, some notable exceptions; and

WHEREAS, after thirty years of faithful service, retiring Circuit Clerk Charles "Bill" Medley of Meade County, is just such an exception; and

WHEREAS, before he embarked upon a career of service to his community, Charles "Bill" Medley served his country in the second World War and is a veteran of Pearl Harbor;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this esteemed institution do hereby express their congratulations to Charles "Bill" Medley upon his retirement as Circuit Clerk of Meade County and thank him for his years of dedicated service to his community, his country, and our great Commonwealth.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of Charles "Bill" Medley.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Charles "Bill" Medley, Circuit Clerk, Meade County Courthouse, Fairway Drive, Brandenburg, Kentucky 40108.

HR 42 was adopted by voice vote.

Adjournment

Representative Stumbo moved that the House adjourn until 2:00 p.m., Wednesday, May 26, 1993.

On the roll call the vote was yeas 73—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Brown, Bruce, Buis, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gee, Graham, Gray, Hancock, J. Harper, K. Harper, Hourigan, Jensen, Keith, Kerr, Lee, Long, Lyne, Mason, Moberly, Morris, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 2—LeMaster, Lile.

The motion to adjourn was adopted.

WEDNESDAY, MAY 26, 1993

THIRTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Father Theodore Keller, Church of the Good Shepherd, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Ackerson, Cyrus, Geveden, Graham, Lindsay, McElroy, Ridley, Sheehan, B. R. Smith and R. Smith.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 25, 1993 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 43, by Representative J. Harper: A RESOLUTION adjourning the House of Representatives in honor of Jean Hatzell.

Motions, Petitions and Communications

Representative J. Harper moved the adoption of the following **HR 43**:

HR 43, A RESOLUTION adjourning the House of Representatives in honor of Jean Hatzell.

WHEREAS, Jean Hatzell has held the position of Bullitt County Circuit Clerk for twelve years; and

WHEREAS, Jean Hatzell has served her constituents well in the fifty-fifth judicial circuit; and

WHEREAS, during her tenure, she has served under three circuit judges, Judge Waller, Judge Sanders and Judge Taylor; and

WHEREAS, she presided over moving the clerk's office into the computer age for a more efficient operation providing services to the citizens of the fifty-fifth judicial circuit; and

WHEREAS, Jean Hatzell has always demonstrated faithful and loyal service over the past twelve years;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body proudly hails and salutes Jean Hatzell for her years of devoted service to the citizens of the fifty-fifth judicial circuit and wishes her continuing success in all future endeavors.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of Jean Hatzell.

Section 3. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this Resolution to the Honorable Jean Hatzell, Bullitt County Circuit Clerk, Bullitt County Courthouse, Shepherdsville, Kentucky 40165.

HR 43 was adopted by voice vote.

Representative Stumbo moved that the rules be suspended to introduce guests. Agreed.

Representative Nesler moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 44, by Representatives Nesler, Sanders and Curd: A RESOLUTION adjourning in honor of former Representative and Speaker Pro Tem of the House of Representatives, Lloyd Clapp.

Representative Nesler moved the adoption of the following **HR 44**:

HR 44, A RESOLUTION adjourning in honor of former Representative and Speaker Pro Tem of the House of Representatives, Lloyd Clapp.

WHEREAS, Lloyd Clapp, hardware and furniture store owner from Graves County, first came to the Capital City in 1966 to represent the Second Legislative District and remained a Representative until 1986, serving as Speaker Pro Tem of the House of Representatives in 1976, 1978, and 1979; and

WHEREAS, even though many consider Graves County part of Missouri, young Representative Clapp developed a reputation for knowing the Kentucky legislative process as well as anybody; and

WHEREAS, Lloyd Clapp, whose family has always been involved with politics, gained the respect of all those who have known him; and

WHEREAS, this fact did not escape the notice of Lieutenant Governor Brereton Jones who has employed the gentleman from Wingo as his legislative liaison; and

WHEREAS, according to the well respected Senator Walter Baker, from Barren County, Representative Clapp taught him what few tricks he knows; and

WHEREAS, there are many interesting stories concerning the exploits of Representative Clapp that can't be committed to paper but still abound in these hallowed halls;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby express their pride in their present and past association with former Representative Lloyd Clapp of Graves County.

Section 2. That the House of Representatives does offer its humble thanks to Lloyd Clapp for his many years of faithful service to the people of the Second Legislative District, and to our great Commonwealth, and adjourns this day in his honor.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Lloyd Clapp, care of the Governor's Office, Capitol, Frankfort, Kentucky 40601.

HR 44 was adopted by voice vote.

Representative Nesler moved that a call of the roll be taken to show co-sponsors of **HR 44**. Agreed.

On the roll call the votes was yeas 79—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, Clarke, Collins, Crenshaw, Curd, Damron, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Gray, Hancock, J. Harper, Hatcher, Heleringer, Hourigan, Jensen, Johnson, Keith, Kerr, Lee, LeMaster, Lewis, Lile, Little, Long, Lyne, Maggard, Moberly, Morris, Mullinix, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Brown moved that the rules be suspended to introduce and act upon Resolutions. Agreed.

HR 46, by Representative Brown: A RESOLUTION adjourning in honor of James Woolfolk, retiring magistrate from Meade County.

Representative Brown moved the adoption of the following **HR 46**:

HR 46, A RESOLUTION adjourning in honor of James Woolfolk, retiring magistrate from Meade County.

WHEREAS, James Woolfolk is a veteran of the Korean War, where he distinguished himself in service to his country; and

WHEREAS, for the past twenty years, Magistrate James Woolfolk has faithfully served the people of Meade County; and

WHEREAS, as magistrate, James Woolfolk helped Meade County win the Secretary's Award for Environmental Achievement, given by the Natural Resources and Environmental Protection Cabinet, because Meade County was one of the first to establish a universal solid waste management system and build a recycling center; and

WHEREAS, Magistrate James Woolfolk provided the leadership so that Meade County could create the Meade Olin Park, establish a National Guard armory, build the Anchor Home for handicapped adults, and provide a county ambulance service and a water district;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby express their congratulations on a job well done and wish James Woolfolk the best of luck in his retirement.

Section 2. That the House of Representatives applauds James Woolfolk for his dedicated service to the citizens of Meade County, the United States of America, and our great Commonwealth and adjourns this day in his honor.

Section 3. That the Clerk of the House is directed to transmit a copy of this Resolution to Magistrate James Woolfolk, Meade County Courthouse, Fairway Drive, Brandenburg, Kentucky 40108.

HR 46 was adopted by voice vote.

HR 47, by Representative Brown: A RESOLUTION adjourning in honor of retiring Judge Henry "Monk" Ross of Meade County.

Representative Brown moved the adoption of the following **HR 47**:

HR 47, A RESOLUTION adjourning in honor of retiring Judge Henry "Monk" Ross of Meade County.

WHEREAS, Judge Henry "Monk" Ross is retiring as County Judge of Meade County after two dedicated terms representing his constituents; and

WHEREAS, under Judge Ross' leadership, Meade County received the Secretary's Award for Environmental Achievement from the Cabinet for Natural Resources and Environmental Protection for being one of the first counties to install a universal solid waste management system and build a recycling center; and

WHEREAS, Judge Henry "Monk" Ross helped establish a National Guard Armory, the Meade Olin Park, a county water district, and the Anchor House for handicapped adults; and

WHEREAS, Judge Henry "Monk" Ross was the popular Mayor of Brandenburg for three terms of faithful service to his community prior to being elected County Judge; and

WHEREAS, before embarking upon a career of public service in Meade County, Judge Henry "Monk" Ross served his country in World War II and Korea;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hold Judge Henry "Monk" Ross in high esteem and do express their thanks for his years of dedicated public service to his community, the citizens of our great Commonwealth, and the United States of America.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of retiring Judge Henry "Monk" Ross of Meade County.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to County Judge Henry "Monk" Ross, Meade County Courthouse, Fairway Drive, Brandenburg, Kentucky 40108.

HR 47 was adopted by voice vote.

HR 48, by Representative Brown: A RESOLUTION adjourning in honor of Fairleigh Yates, retiring magistrate from Meade County.

Representative Brown moved the adoption of the following **HR 48**:

HR 48, A RESOLUTION adjourning in honor of Fairleigh Yates, retiring magistrate from Meade County.

WHEREAS, for the past twenty years, Magistrate Fairleigh Yates has faithfully served the people of Meade County; and

WHEREAS, as magistrate, Fairleigh Yates helped Meade County win the Secretary's Award for Environmental Achievement, given by the Natural Resources and Environmental Protection Cabinet, because Meade County was one of the first to establish a universal solid waste management system and build a recycling center; and

WHEREAS, Magistrate Fairleigh Yates provided the leadership so that Meade County could create the Meade Olin Park, establish a National Guard armory, build the Anchor Home for handicapped adults, and provide a county ambulance service and a water district;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby express their congratulations on a job well done and wish Fairleigh Yates the best of luck in his retirement.

Section 2. That the House of Representatives applauds Fairleigh Yates for his dedicated service to the citizens of Meade County and our great Commonwealth and adjourns this day in his honor.

Section 3. That the Clerk of the House is directed to transmit a copy of this Resolution to Magistrate Fairleigh Yates, Meade County Courthouse, Fairway Drive, Brandenburg, Kentucky 40108.

HR 48 was adopted by voice vote.

Adjournment

Representative Stumbo moved that the House adjourn until 10:00 a.m., Thursday, May 27, 1993.

On the roll call the vote was yeas 78—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bowling, Brown, Bruce, Bryant, Buis, Burch, Butler, Callahan, Cave, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Damron, DeWeese, Donnermeyer, Farley, Farrow, Ford, Fox, French, Gedling, Gee, Gray, Hancock, J. Harper, K. Harper, Hourigan, Jensen, Johnson, Keith, Kerr, Lear, Lee, Lewis, Little, Long, Lyne, Maggard, Mason, Moberly, Morris, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Stacy, Stumbo, Todd, Trapp, Turner, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 5—Hatcher, LeMaster, Lile, Mullinix, Stengel.

The motion to adjourn was adopted.

THURSDAY, MAY 27, 1993

FOURTEENTH LEGISLATIVE DAY

The House was called to order by Speaker Clarke.

Prayer by Dr. John F. Callaway, First Presbyterian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The roll was called. All members present except Representatives Deskins, Hourigan, McElroy, B. R. Smith and R. Smith.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

Representative Maggard moved that the reading of the Journal of May 26, 1993 be dispensed with and the same approved. Agreed.

Introduction of Bills and Resolutions

HR 45, by Representative Noland: A RESOLUTION honoring the Capitol tour guides.

HR 49, by Representative Lee: A RESOLUTION honoring Marlene C. Scott for receiving the 1993 Principal of the Year Award.

HR 50, by Representative Lee: A RESOLUTION honoring educator, Andrea Kay Atcher of Elizabethtown City School, the Excellence in Classroom and Educational Leadership Award winner.

HR 51, by Representative Lee: A RESOLUTION honoring educator, Mike Allen of Hardin County Schools, the Excellence in Classroom and Educational Leadership Award winner.

Recess

Representative Stumbo moved that the House recess until 1:00 p.m. pending receipt of Senate Message. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Senate Message

Announcing passage of **SCR 40**.

The Senate has passed **HB 1** by way of Senate Committee Substitute and Senate Floor Amendments attached thereto. The Senate respectfully requests concurrence of this Honorable body. (Time: 1:05 p.m.)

Representative Noland moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Noland moved the adoption of the following **HR 45**:

HR 45, A RESOLUTION honoring the Capitol tour guides.

WHEREAS, many visitors pass through these hallowed halls each year, including out-of-state visitors and visitors from different nations; and

WHEREAS, during the months of April and May, over one thousand school children per day visit Kentucky's Capitol; and

WHEREAS, the Capitol tour guides demonstrate great patience and warm Kentucky hospitality, while graciously relating the historical significance of our beautiful Capitol and our Commonwealth's past great leaders; and

WHEREAS, the Capitol tour guides keep legislators informed when their constituents visit the Capitol premises;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body hails and salutes the Capitol tour guides for their constant effort in passing historical knowledge to the public about our beautiful Capitol building, the early settlers who braved unknown elements, and the famous people who have represented our great Commonwealth through the struggles of two centuries.

Section 2. That the Clerk of the House of Representatives is directed to transmit copies of this Resolution to the Capitol tour guides.

HR 45 was adopted by voice vote.

Representative Noland moved that a call of the roll be taken to show co-sponsors of **HR 45**. Agreed.

On the roll call the vote was yeas 67—Ackerson, Adams, Adkins, Allen, Altman, Barrows, Bentley, Bowling, Brown, Bryant, Buis, Butler, Cave, L. Clark, P. Clark, Clarke, Coleman, Crenshaw, Cyrus, Damron, Farley, Ford, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, Hatcher, Heleringer, Jensen, Johnson, Keith, Lear, Lee, Lile, Lindsay, Little, Lyne, Moberly, Mullinix, Napier, Nelson, Noland, Nunn, Palumbo, Rapier, Rasche, Reinhardt, Ridley, Riggs, Riner, Sanders, Scorsone, Shacklette, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Ward, Wayne, Worthington, Zimmerman. Nays 0.

Representative L. Clark moved that the rules be suspended to act upon a Resolution. Agreed.

Representative L. Clark moved the adoption of the following **HR 40**:

HR 40, A RESOLUTION relating to proposed federal legislation concerning federal mandates.

WHEREAS, it is both prudent and necessary to support efforts to ensure the most cost-effective use of state funds; and

WHEREAS, the Commonwealth of Kentucky and other states would be able to better fulfill their budgetary obligations if the federal government would restrict its policy of arbitrarily increasing state costs with respect to federally-mandated activities and services; and

WHEREAS, bills have recently been introduced in the United States Congress proposing an end to the practice of imposing unfunded federal mandates on state and local governments and providing that the federal government pay the costs incurred by those governments in complying with certain requirements under federal statutes and regulations; and

WHEREAS, these timely and important proposals, H.R. 140 and S. 648, are each known as the "Federal Mandates Relief Act of 1993";

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its support of H.R. 140 and S. 648, the proposed "Federal Mandate Relief Act of 1993," as a means of achieving a more equitable distribution of fiscal responsibility between the state and federal governments, and further calls upon the Congress of the United States to enact one of the aforementioned acts in an effort to put an end to unfunded federal mandates.

Section 2. That the Clerk of the House of Representatives shall forward a copy of this Resolution to the Honorable Thomas S. Foley, Speaker of the United States House of Representatives, H-204 Capitol Building, Washington, D.C. 20515; to the Honorable Albert A. Gore, Jr., President of the United States Senate, Old Executive Office Building, Washington, D.C. 20501, and to each member of the Kentucky Congressional Delegation.

HR 40 was adopted by voice vote.

Representative Lee moved that the rules be suspended to act upon Resolutions. Agreed.

Representative Lee moved the adoption of the following **HR 49**:

HR 49, A RESOLUTION honoring Marlene C. Scott for receiving the 1993 Principal of the Year Award.

WHEREAS, our system of education is the cornerstone of everything we value in our nation and in the Commonwealth; and

WHEREAS, the Elementary Principal of the Year Award is sponsored by the Campbell's Soup Company, the Kroger Company, and the Kentucky Network in partnership with the Kentucky Department of Education; and

WHEREAS, Marlene C. Scott is the principal of Rineyville Elementary School in the Hardin County school system; and

WHEREAS, because of her innovative and progressive educational programs and her devotion to the youth of her community, Marlene C. Scott is the recipient of the 1993 Principal of the Year Award; and

WHEREAS, this prestigious award was presented to Marlene C. Scott in December, 1992, along with a lovely plaque and a check in the amount of one thousand dollars; and

WHEREAS, Marlene C. Scott is the loving wife of Robert Scott;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives proudly honors Marlene C. Scott upon the occasion of being the recipient of the 1993 Principal of the Year Award and commends her for her dedication to excellence in education.

Section 2. That the members of this honorable body praise Marlene C. Scott for her devotion to the youth of her community and wish her success in all future endeavors.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Mrs. Marlene C. Scott, 628 Santa Fe Trail, Elizabethtown, Kentucky 42701.

HR 49 was adopted by voice vote.

Representative Lee moved the adoption of the following **HR 50**:

HR 50, A RESOLUTION honoring educator, Andrea Kaye Atcher of Elizabethtown City School, the Excellence in Classroom and Educational Leadership Award winner.

WHEREAS, an ExCEL Award recipient is truly a dynamic teacher cognizant of the important role of education; and

WHEREAS, the purpose of the WHAS-TV and Citizens Fidelity ExCEL Award is to recognize, reward, and renew the importance and contributions, of the public school and the teaching profession for the development and well-being of our young people and the community; and

WHEREAS, the recipient of the award is that finalist with the highest average score in three areas, including critique of both the educator's application and teaching performance and an interview with a question-and-answer session; and

WHEREAS, the application must address professional biography, professional development activities, community involvement, philosophy of teaching, education issues and trends, personal teaching style, and letters of recommendation; and

WHEREAS, an ExCEL recipient thrives in learning and teaching;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives highly commends Andrea Kaye Atcher for her dedication to the education of the youth of Kentucky.

Section 2. That Andrea Kaye Atcher is hereby commended, honored, and recognized for her selection as an ExCEL award recipient.

Section 3. That the Clerk of the House of Representatives is directed to send a copy of this Resolution to Andrea Kaye Atcher, 601 Spruce Lane, Elizabethtown, Kentucky 42701.

HR 50 was adopted by voice vote.

Representative Lee moved the adoption of the following **HR 51**:

HR 51, A RESOLUTION honoring educator, Mike Allen of Hardin County Schools, the Excellence in Classroom and Educational Leadership Award winner.

WHEREAS, an ExCEL Award recipient is truly a dynamic teacher cognizant of the important role of education; and

WHEREAS, the purpose of the WHAS-TV and Citizens Fidelity ExCEL Award is to recognize, reward, and renew the importance and contributions, of the public school and the teaching profession for the development and well-being of our young people and the community; and

WHEREAS, the recipient of the award is that finalist with the highest average score in three areas, including critique of both the educator's application and teaching performance and an interview with a question-and-answer session; and

WHEREAS, the application must address professional biography, professional development activities, community involvement, philosophy of teaching, education issues and trends, personal teaching style, and letters of recommendation; and

WHEREAS, an ExCEL recipient thrives in learning and teaching;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives highly commends Mike Allen for his dedication to the education of the youth of Kentucky.

Section 2. That Mike Allen is hereby commended, honored, and recognized for his selection as an ExCEL award recipient.

Section 3. That the Clerk of the House of Representatives is directed to send a copy of this Resolution to Mike Allen, 324 Madison Drive, Elizabethtown, Kentucky 42701.

HR 51 was adopted by voice vote.

Representative Moberly moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 54, by Representatives Moberly and Napier: A RESOLUTION adjourning the House of Representatives in honor of Dr. John D. Rowlett upon the occasion of his retirement.

Representative Moberly moved the adoption of the following **HR 54**:

HR 54, A RESOLUTION adjourning the House of Representatives in honor of Dr. John D. Rowlett upon the occasion of his retirement.

WHEREAS, it seems appropriate from time to time for this honorable body to reflect upon the contributions of special citizens of this Commonwealth who have enriched the lives of so many people; and

WHEREAS, Dr. John D. Rowlett was born January 10, 1928, a native of Denton, Texas; and

WHEREAS, Dr. John D. Rowlett served his country with distinction in the United States Coast Guard from 1946-47; and

WHEREAS, Dr. John D. Rowlett received his undergraduate degree in 1949 and his masters degree in 1950 from North Texas State College in Denton, Texas; and

WHEREAS, Dr. John D. Rowlett received his doctorate degree in 1960 from the University of Illinois in Urbana, Illinois; and

WHEREAS, Dr. John D. Rowlett was an instructor in Industrial Arts from 1949-51 at North Texas State College and has been affiliated with Eastern Kentucky State College/EKU since 1951, serving in the capacity of Instructor; Assistant Professor; Associate Professor; Professor of Industrial Arts; Director of Research; Dean, School of Technology; Dean, College of Applied Arts and Technology; Vice President for Research and Development; Vice President for Academic Affairs and Research and Dean of the Faculties; and

WHEREAS, his accomplishments as an educator exemplified his professionalism in the classroom; and

WHEREAS, Dr. John D. Rowlett is the loving husband of Mary Ann Mason Rowlett and the proud father of Debra Rowlett, Janet Rowlett, John Rowlett and Virginia Rowlett; and

WHEREAS, Dr. John D. Rowlett has devoted forty-two years of service to Eastern Kentucky University and has demonstrated the dedication, professionalism and high standards that all members of the higher educational community seek to achieve and has adhered to the highest principles and ideas; and

WHEREAS, Dr. John D. Rowlett will retire from Eastern Kentucky University on June 30, 1993;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Dr. John D. Rowlett's many contributions to the quality of education at Eastern Kentucky University is beyond measure and will have lasting impact.

Section 2. That the House of Representatives expresses its deepest appreciation to Dr. John D. Rowlett for his accomplishments as an educator and for the distinction he has brought to the Commonwealth of Kentucky and wishes him continued success in all future endeavors.

Section 3. That when the House of Representatives adjourns this day, it does so in honor of Dr. John D. Rowlett in recognition of the occasion of his retirement.

Section 4. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Dr. John D. Rowlett, Vice President, Academic Affairs and Research, Coates Box 30A, Eastern Kentucky University, Richmond, Kentucky 40475-3101.

HR 54 was adopted by voice vote.

Representative Barrows moved that the rules be suspended to introduce and act upon Resolutions. Agreed.

HR 52, by Representative Barrows: A RESOLUTION honoring Leslie J. Blackburn III.

Representative Barrows moved the adoption of the following **HR 52**:

HR 52, A RESOLUTION honoring Leslie J. Blackburn III.

WHEREAS, Leslie J. Blackburn III is a native of Versailles, Woodford County, Kentucky; and

WHEREAS, Leslie J. Blackburn III enlisted in the United States Coast Guard in February, 1970, and worked his way up through the enlisted ranks as a Quartermaster, serving aboard the Coast Guard buoy tenders BALSAM, ZINNIA, and SALVIA, high endurance cutters UNIMAK and BIBB, and the polar icebreaker NORTHWIND; and

WHEREAS, Leslie J. Blackburn III served three years as an Assistant Controller in the Coast Guard Rescue Coordination Center in New Orleans and as a waterways specialist at the Marine Safety Office in Galveston, Texas; and

WHEREAS, after receiving his commission as a Chief Warrant Officer in June, 1984, he spent additional time at sea as First Lieutenant aboard the Coast Guard Buoy Tender RED CEDAR and assumed command of the Coast Guard Cutter WHITE HEATH in Boston, Massachusetts on June 4, 1990; and

WHEREAS, Leslie J. Blackburn III is the recipient of several military awards, including the Commendation Medal, the Good Conduct Medal, the CG Meritorious Unit Commendation, the National Defense Ribbon, the Bicentennial Unit Commendation, the Sea Service Ribbon, the CG Unit Commendation Ribbon and the CG Marksmanship Ribbons in Rifle and Pistol; and

WHEREAS, Leslie J. Blackburn III speaks to public and civic groups on Coast Guard related topics, such as lighthouse maintenance, aids to navigation positioning, and reliefs and their purpose; and

WHEREAS, Leslie J. Blackburn III has received the Merchant Marine Masters license for steam or motor driven ships less than 1,600 gross tons; and

WHEREAS, in 1992, Leslie J. Blackburn III had the high honor of being nominated by his Group Commander for the award of Distinguished Federal Supervisor;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That Leslie J. Blackburn III, during his twenty-three years of service in the United States Coast Guard, has demonstrated strong character and is an element of invincible strength to all the lives he has touched.

Section 2. That this honorable body proudly hails and commends Leslie J. Blackburn III for the years of dedicated service he has contributed to the United States Coast Guard.

Section 3. That the Clerk of the House of Representatives is hereby directed to transmit a copy of this resolution to Leslie J. Blackburn III, Chief Warrant Officer W-4, Commanding Officer, U.S. Coast Guard Cutter WHITE HEATH (WLM 545), 427 Commercial Street, Boston, Massachusetts 02109.

HR 52 was adopted by voice vote.

HR 53, by Representative Barrows: A RESOLUTION adjourning in honor of Pam Jackson, outstanding teacher from Versailles, Woodford County.

Representative Barrows moved the adoption of the following **HR 53**:

HR 53, A RESOLUTION adjourning in honor of Pam Jackson, outstanding teacher from Versailles, Woodford County.

WHEREAS, Pam Jackson teaches at Huntertown Elementary School and Southside Elementary School in Woodford County, and is one of ten outstanding Kentucky teachers recognized by the Ashland Oil Company Teacher Achievement Awards Program; and

WHEREAS, Governor Brereton Jones, in presenting the award, said that "recognizing our teachers for their outstanding efforts helps promote excellence throughout Kentucky education"; and

WHEREAS, the purpose of the award is to recognize, reward, and emphasize the importance of, and contributions made by, outstanding teachers of Kentucky's schools to the teaching profession and the development and well-being of the young people in our educational systems; and

WHEREAS, the recipient of the Teacher Achievement Award is an individual with a high degree of dedication, innovation, and outstanding performance;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this honorable body does hereby congratulate Pam Jackson upon receiving the Teacher Achievement Award and commends her as an example of leadership and a proponent of positive, quality education that is so essential in making our children competitive in world society.

Section 2. That when the House of Representatives adjourns this day, it does so in honor of Pam Jackson.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Pam Jackson, Huntertown Elementary, Route Six, Huntertown Road, Versailles, Kentucky 40383.

HR 53 was adopted by voice vote.

Representative Hancock moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 55, by Representative Hancock: A RESOLUTION in appreciation of Kenny Dotson, gardener extraordinaire of the Capital grounds, and his able helpers.

Representative Hancock moved the adoption of the following **HR 55**:

HR 55, A RESOLUTION in appreciation of Kenny Dotson, gardener extraordinaire of the Capital grounds, and his able helpers.

WHEREAS, in these days of stress and strife, when legislators wrestle with the heavy issues of our times, we are all in need of something to brighten our day; and

WHEREAS, the dark and dreary winter leaves us waiting for cheer, sunlight, and a mood readjustment; and

WHEREAS, in the Capital city of our great Commonwealth, Spring means flowers, lots of bright, gorgeous flowers hanging and sprouting in profusion wherever you turn; and

WHEREAS, when we think of Spring we think of Kenny Dotson, gardener to kings;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby express their profound appreciation to Kenny Dotson, and his able helpers, for the transformation they effect on the Capitol grounds and on our general appreciation of the finer things in life.

Section 2. That when the House of Representatives adjourns this day it does so in honor of Kenny Dotson, gardener extraordinaire, and his able helpers.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Kenny Dotson, Facilities Management, Finance Cabinet, Capitol Annex, Frankfort, Kentucky 40601.

HR 55 was adopted by voice vote.

Representative Stumbo moved that the House recess for one hour.

On the roll call the vote was yeas 8—Ackerson, Cave, Collins, Heleringer, Johnson, Lindsay, Mullinix, Sanders. Nays 78—Adams, Adkins, Allen, Altman, Arnold, Ballard, Barrows, Bentley, Bowling, Brown, Bruce, Bryant, Buis, Butler, Callahan, L. Clark, P. Clark, Clarke, Coleman, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, K. Harper, Hatcher, Jensen, Keith, Lear, Lee, LeMaster, Lewis, Lile, Little, Long, Lyne, Maggard, Mason, Moberly, Morris, Napier, Nelson, Nesler, Noland, Northup, Nunn, Palumbo, Rapier, Rasche, Richards, Ridley, Riggs, Riner, Scorsone, Shacklette, Sheehan, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Ward, Wayne, Yates, Zimmerman.

The motion that the House recess for one hour was rejected.

Orders of the Day

HB 1, by way of Senate Committee Substitute and Senate Floor Amendments attached thereto, taken from the Orders of the Day. Representative Stumbo moved that it be placed upon its passage. Agreed.

The Senate Committee Substitute to **HB 1** is as follows:

HB 1, AN ACT relating to health and safety, providing for revenues to finance health care, making appropriations, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SECTION 1. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

As used in Sections 1 to 19 of this Act:

(1) "Cabinet" means the Cabinet for Human Resources;

(2) "Health care items or services" means items or services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation;

(3) "Health maintenance organization" or "HMO" means an organization established and operated pursuant to the provisions of Subtitle 38 of KRS Chapter 304;

(4) "Hospital" means an acute care, rehabilitation, or psychiatric hospital licensed under KRS Chapter 216B;

(5) "Hospital services" means all inpatient and outpatient services provided by a hospital, excluding the dispensing of prescription drugs on an outpatient basis by hospital pharmacies licensed separately. Hospital services shall not include services provided by a noncontracted, university-operated hospital, or hospitals operated by the federal government, if necessary waivers are obtained by the Cabinet for Human Resources from the Health Care Financing Administration;

(6) "Medicaid" means the state program of medical assistance as administered by the cabinet in compliance with 42 U.S.C. Sec. 1936;

(7) The terms "inpatient hospital services," "outpatient hospital services," "nursing facility services," "intermediate care facility services for the mentally retarded," "physician services," "home health care services," and "outpatient prescription drugs" have the same meaning as set forth in regulations promulgated by the Secretary of the Department of Health and Human Services pursuant to the authority granted under 42 U.S.C. Sec. 1302;

(8) "Secretary" means the secretary of the Cabinet for Human Resources or that person's authorized representative;

(9) "Provider" means any individual or entity providing health care items or services or hospital services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation, excluding facilities operated by the federal government, and excluding any class of provider that includes provider groups that are prohibited by state law from participating in the state medicaid program;

(10) "Revenue secretary" means the secretary of the Revenue Cabinet or that person's authorized representative;

(11) "Gross revenues" means the total amount received in money or otherwise by providers for the provision of health care items or services or hospital services in Kentucky, less the following:

(a) Amounts received by any provider as an employee or independent contractor from another provider for the provision of health care items or services or hospital services on behalf of the paying provider if:

1. The paying provider receives revenue attributable to health care items or services or hospital services provided by the employee or independent contractor receiving payment; and

2. The paying provider is subject to the tax imposed by Section 2 or 3 of this Act on the receipt of such revenue; and

(b) Amounts received as a grant or donation by any provider from federal, state, or local government or from an organization recognized as exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code for research or for administrative or operating costs associated with the implementation and operation of an experimental program;

(12) "Charitable hospital" means any hospital which does not charge its patients for health care items or services, and which does not seek or accept medicare, medicaid, or other financial support from the federal government or any state government. The collaboration with public hospitals, agencies, or other providers in the delivery of patient care; affiliation with public institutions to provide health care education; or the pursuit of research in cooperation with public institutions or agencies shall not be considered as the receipt of government support by a charitable hospital; and

(13) "Charitable provider" means any provider which does not charge its patients for health care items or services, and which does not seek or accept medicare, medicaid, or other financial support from the

federal government or any state government. The collaboration with public hospitals, agencies, or other providers in the delivery of patient care; affiliation with public institutions to provide health care education; or the pursuit of research in cooperation with public institutions or agencies shall not be considered as the receipt of government support by a charitable provider.

SECTION 2. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

A tax is hereby imposed on all hospitals providing health care items or services or hospital services at a rate of two and one-half percent (2.5%) of the gross revenues received on or after July 1, 1993, for the provision of health care items or services or hospital services.

SECTION 3. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) A tax is hereby imposed on the gross revenues received on or after July 1, 1993, for the provision of nursing facility services, intermediate care facility services for the mentally retarded, physician services, home health care services, health maintenance organization services, and the provision of any other specific health care items or services that federal legislation or regulation permits the state to tax, and which the Secretary includes through the issuance of an administrative regulation promulgated pursuant to the authority granted in Section 6 of this Act, at a rate of two percent (2%) of the gross revenues received by each provider for the provision of health care items or services, excluding gross revenues received for dispensing outpatient prescription drugs subject to tax under Section 4 of this Act.

(2) The tax imposed in subsection (1) of this section shall not be imposed on durable medical equipment unless necessary waivers are obtained by the Cabinet for Human Resources from the Health Care Financing Administration.

SECTION 4. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) A tax is hereby imposed on pharmacies, required to be permitted by KRS 315.0351, at the rate of twenty-five cents ($0.25) per prescription upon outpatient prescription drugs for which delivery is taken in this state on or after July 1, 1993; and on other pharmacies required to be permitted by KRS Chapter 315; and any other providers dispensing outpatient prescription drugs; and on durable medical equipment providers, if necessary waivers are obtained by the Cabinet for Human Resources from the Health Care Financing Administration, at the rate of twenty-five cents ($0.25) per prescription upon outpatient prescription drugs and durable medical equipment provided pursuant to a prescription, if necessary waivers are obtained by the Cabinet for Human Resources from the Health Care Financing Administration, for which actual payment is received in this state on or after July 1, 1993.

(a) Pharmacies may pass the tax imposed by this subsection on to insurers, health maintenance organizations, and non-profit hospital, medical-surgical, ~~dental~~ and health service corporations as defined in KRS Chapter 304 with whom the pharmacies have entered into contracts for the provision of health care items or services on behalf of a patient or consumer.

(b) Insurers, health maintenance organizations, and non-profit hospital, medical-surgical, dental and health service corporations as defined in KRS Chapter 304 shall pay the transferred tax in addition to any payments due under existing or future contracts with the pharmacy.

(2) A tax is hereby imposed upon insurers, health maintenance organizations, and nonprofit hospital, medical-surgical, dental and health service corporations as defined in KRS Chapter 304, who contract for the provision of outpatient prescription drugs, at a rate of twenty-five cents ($0.25) per outpatient prescription paid for by the insurer, health maintenance organization, or nonprofit hospital, medical-surgical, dental and health service corporation, on or after July 1, 1993, and dispensed by an individual or entity registered pursuant to KRS Chapter 315 to the extent that the individual or entity dispensing the outpatient prescription drug has not paid the tax imposed under subsection (1) of this section.

SECTION 5. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) The taxes imposed by Sections 2, 3, and 4 of this Act shall not be passed on by the provider to the recipient of the taxable items or services.

(2) Charitable hospitals and charitable providers providing proper certification to the Revenue Cabinet shall be exempt from the taxes imposed by Sections 2, 3, and 4 of this Act, as well as the provisions of Sections 7, 9, and 13 of this Act.

(3) The taxes imposed by Sections 1 to 19 of this Act shall be inapplicable as of the earlier of ninety (90) days after the last day of any special session addressing the issue of health care reform, or ninety (90) days after the last day of the 1994 regular session.

SECTION 6. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding the provisions establishing rates set forth in Sections 2, 3, and 4 of this Act, it is the intent of the General Assembly to take full advantage of all federal funds that may be available to provide medical assistance to the citizens of the Commonwealth. To insure that the opportunities of the Commonwealth in this regard are maximized, the secretary shall have the authority to make the following adjustments to the tax rates imposed under Sections 2, 3, and 4 of this Act:

(a) During any period that federal legislation or regulation causes a reduction of federal financial participation in the state's medicaid program if state revenues from provider donations or taxes exceed a specified level, the secretary shall review, at the close of each fiscal quarter, the rate of taxation and revenue generated by the taxes imposed under Sections 2, 3, and 4 of this Act. The secretary shall proportionally reduce the rates set forth in Sections 2, 3, and 4 of this Act, or the rates in effect, as the case may be, if a reduction is necessary to maintain full federal financial participation in the state's medicaid program. If the rates set forth in Sections 2, 3, and 4 of this Act, or the rates in effect, as the case may be, are less than the rates necessary to generate sufficient funds to maximize the federal financial participation in the state's medical assistance program, the secretary shall proportionally increase the rates set forth in Sections 2, 3, and 4 of this Act, or in effect, as the case may be, up to a maximum of six percent (6%) of gross revenues for the taxes imposed under Sections 2 and 3 of this Act, and up to a maximum of thirty-five cents ($0.35) for the tax imposed under Section 4 of this Act. Any rate change made pursuant to this subsection shall be effective for the fiscal quarter following the fiscal quarter in which the rate change is announced, as provided in Section 16 of this Act. Provided, that any increase in the rates established by Sections 2, 3, and 4 of this Act shall not be effective unless those increases are specifically adopted by the General Assembly during a Regular or Extraordinary Session. Notification of any rate change shall be made pursuant to the provisions of Section 16 of this Act.

(b) During any period that there is no federal cap imposed on the amount that may be generated through the imposition of a provider tax, the rates established in Sections 2, 3, and 4 of this Act shall apply, and the secretary shall have no authority to adjust the rates.

(2) It is the intent of the General Assembly that the taxes imposed by Sections 2, 3, and 4 of this Act apply to all health care items and services permitted to be taxed under federal law, except those classes that include any provider groups that are prohibited by state law from participating in the state medicaid program. Therefore, if, subsequent to the enactment of Sections 1 to 19 of this Act, the federal government, through legislation or regulation, includes additional health care items or services among those that may be taxed, the secretary shall, by administrative regulation, include the added items or services to the list of items or services subject to the tax imposed under Section 3 of this Act. Provided, the tax levied by Sections 2, 3, and 4 of this Act shall not be imposed against any class of provider providing health care items or services if any group of providers within the class is prohibited under state law from participating in the state medicaid program. If, subsequent to the enactment of Sections 1 to 19 of this Act, the federal government removes health care items or services from the list of items or services that may be taxed, the secretary shall, by administrative regulation, remove those same items or services from the list of items or services subject to the tax imposed under Section 2, 3, or 4 of this Act. Any health care items or services included by the secretary shall be subject to taxation in the same manner as the items and services specifically listed in Section 3 of this Act. Any health care items or services included by the secretary shall first be subject to taxation in the fiscal quarter following the quarter in which the administrative regulation adding the items or services becomes final.

SECTION 7. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Every provider subject to the taxes imposed by Section 2, 3, or 4 of this Act at the time of enactment shall, on or before July 1, 1993, file an application for a certificate of registration with the Revenue Cabinet. Every provider subject to taxation pursuant to an administrative regulation promulgated by the secretary shall file an application for a certificate of registration with the Revenue Cabinet within thirty (30) days of the date the administrative regulation becomes final. Every provider seeking to provide health care items or services in Kentucky for the first time after the effective date of Sections 1 to 19 of this Act shall, prior to providing such items or services, file an application for a certificate of registration with the Revenue Cabinet. The application shall be in the form prescribed by the Revenue Cabinet. The application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner; in the case of a corporation, by an executive officer or some person specifically authorized by the corporation to sign the application.

(2) Every state board responsible for licensing or governing any provider groups or classes that are subject to the tax imposed by Sections 2, 3, and 4 of this Act shall, upon request by the Revenue Cabinet, provide any information available to the licensing board necessary for the administration of the taxes imposed by Sections 2, 3, and 4 of this Act. The information shall be in the form required by the Revenue Cabinet, and shall be used by the Revenue Cabinet for the sole purpose of administering the taxes imposed by Sections 2, 3, and 4 of this Act.

SECTION 8. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

The taxes imposed by Sections 2, 3, and 4 of this Act are due and payable to the Revenue Cabinet monthly and shall be remitted on or before the twentieth day of the next succeeding calendar month.

SECTION 9. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) On or before the twentieth day of the month following each calendar month, a return for the preceding month shall be filed with the Revenue Cabinet in the form prescribed by the Revenue Cabinet.

(2) A return shall be filed by every provider. The return shall be signed by the person required to file the return or a duly authorized agent.

(3) The return shall show the gross revenues of the provider during the preceding reporting period. The return shall also show the amount of taxes for the period covered by the return and other information as the Revenue Cabinet and secretary deem necessary for the proper administration of Sections 1 to 19 this Act.

(4) The person required to file the return shall deliver the return, together with a remittance of the amount of the tax due to the Revenue Cabinet.

(5) For the purpose of facilitating the administration, payment or collection of the taxes levied by Sections 2, 3, and 4 of this Act, the Revenue Cabinet may, by administrative regulation, permit or require returns to be filed or tax payments to be made other than as specifically required by Sections 1 to 19 of this Act, except the Revenue Cabinet shall not require or permit returns or payments to be filed or remitted more frequently than monthly, or less frequently than quarterly.

SECTION 10. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) The Revenue Cabinet shall, upon written request received on or prior to the due date of the return or tax, for good cause satisfactory to the Revenue Cabinet, extend the time for filing the return or paying the tax for a period not to exceed thirty (30) days.

(2) Any person for which the extension is granted shall pay, in addition to the tax, interest at the tax interest rate as defined in KRS 131.010(6) from the date on which the tax would otherwise have been due.

SECTION 11. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) As soon as practicable after each return is received, the Revenue Cabinet shall examine it. If the amount of tax computed by the Revenue Cabinet is greater than the amount returned by the taxpayer, the excess shall be assessed by the Revenue Cabinet within four (4) years from the later of the date the return was filed or due, except that in the case of a failure to file a return or a fraudulent return, the excess may be assessed at any time. A notice of assessment shall be mailed to the provider. The provider and the Revenue Cabinet may agree to extend this time period.

(2) Any provider aggrieved by an action of the Revenue Cabinet may request a review and shall have the rights of appeal as set forth in KRS Chapter 131.

(3) Notwithstanding the four (4) year time limitation set forth is subsection (1), in the case of a return where the taxpayer understates gross revenues by twenty-five percent (25%) or more, the excess shall be assessed by the Revenue Cabinet within six (6) years from the later of the date the return is due or filed.

SECTION 12. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In making a determination of tax liability the Revenue Cabinet may offset overpayments for a period or periods, together with interest on the overpayments, against underpayments for another period or periods, against penalties, and against the interest on the underpayments.

SECTION 13. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Every provider shall keep records, receipts, invoices, and other pertinent papers in the form as the Revenue Cabinet may require.

(2) Every provider who files the returns required under Section 9 of this Act shall keep records for not less than six (6) years from the making of records unless the Revenue Cabinet in writing authorizes their destruction at an earlier date.

SECTION 14. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

In every case, any tax not paid on or before the due date shall bear interest at the tax interest rate as defined in KRS 131.010(6) from the date due until the date of payment.

SECTION 15. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(a) Except where the secretary has been granted specific authority in Sections 1 to 19 of this Act, the Revenue Cabinet shall administer the provisions of Sections 1 to 19 of this Act and shall have all of the powers, rights, duties and authority with respect to the assessment, collection, refunding, and administration of the taxes levied by Sections 2, 3, and 4 of this Act, conferred generally by the Kentucky Revised Statutes including Chapters 131, 134 and 135.

(b) The Cabinet shall be responsible for compliance with all federal reporting requirements regarding the taxes imposed by Sections 2, 3, and 4 of this Act.

SECTION 16. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) A report of revenue receipts from the taxes imposed by Sections 2, 3, and 4 of this Act shall be provided on a quarterly basis by the Revenue Cabinet to the secretary on or before the tenth day of the second month following the close of each fiscal quarter.

(2) The secretary shall notify the Revenue Cabinet of any rate change no later than the close of the second month following the close of each fiscal quarter.

(3) All providers affected by a rate change shall be notified of the rate change in writing by the Revenue Cabinet. The Revenue Cabinet shall mail notification to affected providers at the address appearing on the most recent return filed by the provider within fifteen (15) days of receipt of notification of the rate change from the secretary.

(4) The secretary shall notify the Revenue Cabinet upon the promulgation of any administrative regulation including or excluding health care items or services from the group of items and services subject to taxation pursuant to Sections 2, 3, and 4 of this Act.

(5) It is the responsibility of each provider, subject to tax under Sections 2, 3, and 4 of this Act, including providers included after the enactment of Sections 1 to 19 of this Act pursuant to an administrative regulation, to register with the Revenue Cabinet, and comply with the tax and reporting provisions of Sections 1 to 19 of this Act.

SECTION 17. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

(1) Any provider charged with the filing of returns and payment of the tax imposed by Sections 1 to 19 of this Act may be required to post a cash or corporate surety bond in an amount to be determined by the Revenue Cabinet.

(2) The Commonwealth may bring an action for a restraining order, or a temporary or permanent injunction to restrain or enjoin the operation of a provider's business until the bond is posted. The action may be brought in the Franklin Circuit Court or in the Circuit Court having jurisdiction over the provider.

SECTION 18. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any other provisions of Sections 1 to 18 of this Act, the president, vice president, secretary, treasurer, or any other person holding any equivalent corporate office of any corporation subject to the provisions of Sections 1 to 19 of this Act shall be personally and individually liable jointly and severally, for the taxes imposed under Sections 2, 3, and 4 of this Act. Neither the corporate dissolution or withdrawal for the corporation from the state nor the cessation of holding any corporate office shall discharge the *liability imposed by this section. The personal and individual liability shall apply to each and every person holding a corporate office at the time the taxes become or became due. No person will be personally and individually liable pursuant to this section if that person did not have authority in the management of the business or financial affairs of the corporation at the time the taxes imposed by Sections 2, 3, and 4 of this Act become or became due. "Taxes" as used in this section shall include interest accrued at the rate provided by KRS 131.010(6) and all applicable penalties and fees imposed under the provisions of Sections 1 to 19 of this Act and KRS 131.180 and 131.990.*

SECTION 19. A NEW SECTION OF KRS CHAPTER 142 IS CREATED TO READ AS FOLLOWS:

Penalties shall be imposed and assessed in accordance with the provisions of KRS 131.180.

SECTION 20. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The commissioner of medicaid services shall adopt a disproportionate share program consistent with the requirements of Title XIX of the Social Security Act which shall include to the extent possible, but not limited to, the provisions of this section.

(2) The "Medical Assistance Revolving Trust Fund (MART)" shall be established in the State Treasury and all provider tax revenues collected pursuant to Sections 1 to 19 of this Act shall be deposited in the State Treasury to the credit of the fund. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that provider tax revenues collected in accordance with Sections 1 to 19 of this Act shall be used to supplement the medical assistance-related general fund appropriations for fiscal year 1994 and subsequent fiscal years, and that all funds credited to the MART fund will be matched with federal medicaid funds.

(3) The "Medical Assistance Indigent Trust Fund (MAIT)" shall be established in the State Treasury for the purpose of receiving any funds transferred from the MART fund or from federal funds for the operation of the disproportionate share program established by the commissioner of medicaid services in accordance with the provisions of subsection (1) of this section. All investment earnings of the fund shall be credited to the fund. It is the intent of the General Assembly that all funds transferred to the MAIT fund will be matched with federal medicaid funds. The MAIT fund shall be exempt from any state budget reduction acts.

(4) An amount necessary to result in a total fund of one hundred twenty million dollars ($120,000,000), including provider tax revenues and federal matching funds, to the extent possible, shall be transferred from the MART fund or from federal funds to the MAIT fund for the purpose of funding the disproportionate share program established by the commissioner of medicaid services.

(5) The commissioner of the Department for Medicaid Services shall implement a disproportionate share program which will take into consideration the amount of service provided by hospitals for medicaid recipients beyond the covered days and individuals and families with incomes up to one hundred percent (100%) of the federal poverty level, as determined by the hospital pursuant to guidelines established by the Cabinet for Human Resources; the percentage of total services rendered by the hospital that consists of services provided to medicaid recipients and person receiving SSI benefits; and hospitals serving a federally designated medically underserved area, a federally designated health manpower shortage area, or a primary care physician shortage area designated under the rural Kentucky medical scholarship fund. Provided that no individual hospital shall receive distributions from the MAIT fund that exceed actual uncompensated care cost to the hospital for services provided to medicaid and other indigent care provided by the hospital and documented to the Department for Medicaid Services. Hospitals receiving reimbursement from the MAIT fund shall not bill for services provided to patients not eligible for medical assistance with family incomes up to, the 100% of the federal poverty level.

(6) The secretary of the Cabinet for Human Resources shall promulgate administrative regulations necessary for the administration and implementation of this section.

(7) All hospitals receiving reimbursement from the MAIT fund shall:

(a) Display prominently a sign which reads as follows: "This hospital will accept patients regardless of race, creed, ethnic background, or ability to pay.";

(b) Accept benefits of state health insurance coverage described in KRS 18A.229 and 18A.2281;

(c) Provide to medicaid recipients any additional days of coverage per hospital stay, based on medical necessity determined in the usual manner, without responsibility for payment for such days of care accruing to the patient or the medicaid program; and

(d) Collect and report to the department data on the number of indigent patient days provided pursuant to this section, including additional days of coverage for medicaid recipients.

SECTION 21. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) Notwithstanding any provision of KRS 205.560, the Cabinet for Human Resources shall recognize the reasonable and appropriate varying overhead costs associated with different areas of specialty for the purposes of establishing the standard reimbursement rate for physician and dental services under the Kentucky medical assistance program.

Section 22. 1992 Kentucky Acts Chapter 462, Part I, Section G, at page 1981, is amended to read as follows:

G. HUMAN RESOURCES

52. CABINET FOR HUMAN RESOURCES

a. Department for Social Insurance

1. Administration

	1992-93	1993-94
General Fund	40,927,500	41,501,900
Restricted Funds	13,754,800	13,524,700
Federal Funds	82,165,200	82,890,100
Total	136,847,500	137,916,700

The Department for Social Insurance shall reimburse citizen members of the Public Assistance Appeals Board an amount not to exceed $75 per day plus travel expenses.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the Governor, may be used for Public Assistance Benefits to the needy and/or Medicaid Benefits in accordance with the statutes governing the functions and activities of the

Department for Social Insurance and of the Department for Medicaid Services. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	80,455,700	86,095,400
Restricted Funds	11,568,700	12,622,500
Federal Funds	186,338,700	193,842,900
Total	278,363,100	292,560,800

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Social Insurance. No portion of this appropriation may be used for the costs of administration.

If any portion of the above General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Social Insurance Benefits appropriation to the Department for Medicaid Services Benefits appropriation to avoid a projected deficit provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue.

In no instance shall these excess funds be used to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

Notwithstanding the provisions of KRS 42.560 and KRS 42.570, the amount necessary to supplement federal funds to maintain program levels as appropriated is authorized from the Energy Trust Fund for fiscal year 1992-93 and fiscal year 1993-94 for the LIHEAP and Weatherization programs.

3. Welfare Reform

	1992-93	1993-94
General Fund	15,454,400	17,278,400
Federal Funds	28,249,900	32,203,500
Total	43,704,300	49,481,900

b. Department for Medicaid Services

1. Administration

	1992-93	1993-94
General Fund	15,213,800	15,955,700
Restricted Funds	3,391,900	3,399,900
Federal Fund	27,058,500	28,081,900
Total	45,664,200	47,437,500

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for administration of the department, such amount, with the approval of the State Budget Director, may be used for Medicaid Benefits and/or Public Assistance Benefits to the needy in accordance with the statutes governing the functions and activities of the Department for Medicaid Services and of the Department for Social Insurance. In no instance shall these excess funds be used, without the prior written approval of the State Budget Director, to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates or payment levels in an existing program.

In instances where approval is given, notification shall be immediately forwarded to the Legislative Research Commission, along with the State Budget Director's written approval and supporting documents from the Cabinet for Human Resources and the Finance and Administration Cabinet.

2. Benefits

	1992-93	1993-94
General Fund	417,000,000	468,100,000
Restricted Funds	202,085,000	***224,999,500*** [~~225,885,000~~]
Federal Fund	1,589,566,400	1,757,392,600
Total	2,208,651,400	***2,450,492,100*** [~~2,451,377,600~~]

These funds are to be used for the payment of benefits in accordance with the statutes governing the functions and activities of the Department for Medicaid Services. No portion of the General Fund appropriation may be used for the costs of administration.

If any portion of the General Fund appropriation in either fiscal year is deemed to be in excess of the necessary expenses for benefits, such amount, with the approval of the State Budget Director, may be transferred from the Department for Medicaid Services Benefits appropriation to the Department for Social Insurance Benefits appropriation to avoid a projected deficit, provided no reduction in services or eligibles will result from the transfer. Such transfer shall be approved by the Secretary of the Finance and Administration Cabinet after concurrence by the State Budget Director of the Governor's Office for Policy and Management. Such transfer shall be reported promptly to the Interim Joint Committee on Appropriations and Revenue. In no instance shall these funds be used to:

1. Establish a new program.
2. Expand the services of an existing program.
3. Increase rates of payment levels in an existing program.

No funds are included for additional Nursing Facility Medicaid funded beds notwithstanding KRS 205.621(2).

Any hospital which has participated in the HICAP program during the 1990-92 biennium will be required to continue to serve individuals and families with incomes up to 100 percent of the poverty level [~~as provided under KRS 205.575~~].

[~~Notwithstanding the provisions of KRS 205.575 (6) except administrative funding allowance and (7) relating to the distribution of Hospital Indigent Care Assurance Program (HICAP) payments,~~] The distribution of HICAP assessment payments shall be governed by regulations promulgated by the Cabinet for Human Resources designed to make maximum use of available budgetary resources. [~~This language shall not operate to repeal or amend KRS 205.575 (6) and (7).~~]

No hospital may be reimbursed from both the Quality and Charity Care Trust Fund and the Hospital Indigent Care Assurance Program (HICAP)[~~, as established by KRS 205.575,~~] for the same service to the same patient. Any hospital which willfully violates this provision shall be subject to a penalty equal to three times the amount of the improper charge to the funds, which amount shall be credited to the General Fund. The Secretary of the Cabinet for Human Resources shall have the authority to secure such patient information as needed from the participating facilities in order to determine compliance and enforce this provision. Each facility billing and receiving reimbursements from the Quality and Charity Care Trust Fund shall be required to identify each patient by social security number and indicate whether the patient is classified as indigent or medically needy.

Notwithstanding any other provision of this Act or law, in any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement so agree, the General Fund appropriation to fulfill the Commonwealth's contractual obligation relating to the Quality and Charity Care Trust Agreement or any portion thereof, together with any other funds paid to the Quality and Charity Care Trust contractual obligation of the parties, or any portion thereof, shall be transferred to the Department for Medicaid Services as part of its Restricted Fund appropriation for Benefits. In any fiscal year for which all the parties to the Quality and Charity Care Trust Agreement do not agree to transfer all or any portion of the Trust's revenues to the Department of Medicaid Services for Benefits, the Quality and Charity Care Trust shall operate pursuant to its contractual provisions.

Any balance remaining in the Medicaid Assessment Revolving Trust Fund as of June 30, 1993, will be transferred to the Medical Assistance Revolving Trust Fund pursuant to Section 20 of this Act for use in the medicaid program for benefit and administrative cost.

c. Department for Employment Services

1. Employment Services

	1919-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		81,243,200	81,025,400
Total	1,400,000	86,433,700	86,611,800

2. Administration-Unemployment Insurance

	1992-93	1993-94
Federal Funds	20,557,000	21,061,700

3. Benefits-Unemployment Insurance

	1992-93	1993-94
Federal Funds	301,600,000	310,900,000

TOTAL - EMPLOYMENT SERVICES

	1919-92	1992-93	1993-94
Restricted Funds	1,400,000	5,190,500	5,586,400
Federal Funds		403,400,200	412,987,100
TOTAL	1,400,000	408,590,700	418,573,500

Notwithstanding KRS 341.835, funds from the Unemployment Insurance Penalty and Interest Account shall be used during fiscal year 1991-92 and the 1992-94 biennium by the Department for Employement Services to operate employment and training programs.

d. Department for Health Services

	1992-93	1993-94
General Fund	45,284,000	45,659,000
Restricted Funds	11,119,500	11,307,700
Federal Funds	97,908,100	101,091,900
Total	154,311,600	158,058,600

Included in the above General Fund appropriation is $257,700 in fiscal year 1993 and fiscal year 1994 to provide toxicology services for the State Medical Examiner's Office.

e. Department for Mental Health/Mental Retardation Services

	1992-93	1993-94
General Fund	117,674,000	124,056,500
Restricted Funds	61,343,800	64,300,500
Federal Funds	20,665,500	21,681,000
Total	199,683,300	210,038,000

Included in the above General Fund appropriation is $5,080,100 in fiscal year 1992-93 and $5,651,700 in fiscal year 1993-94 for debt service.

f. Department for Social Services

	1992-93	1993-94
General Fund	108,398,400	128,445,000
Restricted Funds	16,831,500	4,537,500
Federal Funds	117,660,400	118,216,800
Total	242,890,300	251,199,300

Notwithstanding KRS 205.460, entities contracting with the cabinet to provide essential services under KRS 205.455 and this section shall provide local match, not less than the amount in effect during fiscal year 1991-92. Local match may include any combination of materials, commodities, transportation, office space, personal services or other types of facility services, or funds. The secretary shall prescribe the procedures to certify the local match assurance.

Included in the above General Fund appropriation is $178,000 in fiscal year 1992-93 and $388,900 in fiscal year 1993-94 for debt service.

g. Administration and Program Support

	1992-93	1993-94
General Fund	16,022,000	16,569,000
Restricted Funds	5,993,200	6,068,300
Federal Funds	16,111,700	16,633,900
Total	38,126,900	39,271,200

Included in the above General Fund appropriation is $5,835,600 in fiscal year 1992-93 and $6,284,800 in fiscal year 1993-94 for debt service.

Notwithstanding other provisions to the contrary including KRS 213.141, the secretary shall promulgate such administrative regulations to prescribe user fee amounts which are provided in the applicable restricted fund appropriations with the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet. Such actions and approvals shall be reported simultaneously, in writing, to the Interim Joint Committee on Appropriations and Revenue. Changes in user fee amounts not requiring revised administration regulations shall be reported 30 days prior to the effective date of the change, in writing, to the Interim Joint Committee on Appropriations and Revenue and include the written approval of the State Budget Director and the Secretary of the Finance and Administration Cabinet.

Any authorizations in the Appropriation Act with respect to transfer, increase, or decrease of appropriated funds for the Cabinet for Human Resources shall be in accordance with the General Provisions of the Appropriations Act.

53. COMMISSION FOR HANDICAPPED CHILDREN

	1992-93	1993-94
General Fund	7,895,000	7,995,000
Restricted Funds	1,545,000	1,591,400
Federal Funds	4,134,800	4,134,800
Total	13,574,800	13,721,200

54. COMMISSION FOR HEALTH ECONOMICS CONTROL IN KENTUCKY

	1992-93	1993-94
General Fund	423,000	423,000
Restricted Funds	152,700	116,700
Total	575,700	539,700

TOTAL - HUMAN RESOURCES CABINET

	1919-92	1992-93	1993-94
General Fund		864,747,800	952,078,900
Restricted Funds	1,400,000	332,976,600	***348,055,100*** [~~348,940,600~~]
Federal Funds		2,573,259,400	2,769,156,500
TOTAL	1,400,000	3,770,983,800	***4,069,290,500*** [~~4,070,176,000~~]

Section 23. 1992 Kentucky Acts Chapter 462, Part I, Section L at page 1994, is amended to read as follows:

L. REVENUE

75. REVENUE CABINET

a. Department of Administrative Services

	1919-92	1992-93	1993-94
General Fund	150,000	15,469,400	16,097,800
Restricted Funds		122,500	55,000
Total	150,000	15,591,900	16,152,800

Notwithstanding the provisions of KRS 136.392(b), the insurance surcharge rate shall be adjusted to a rate calculated to provide sufficient funds for the 1992-94 enacted budgets, including the administration of training programs, pay supplements prescribed by statute and debt service for the respective program funds specified in KRS 95A.220 and KRS 15.430 fiscal year 1992-93 and fiscal year 1993-94. The calculation of sufficient funds in the enacted budgets, shall include any restricted fund carry forwards from fiscal years 1992, 1993, and 1994, provided by the General Assembly in this Act. Appropriations budgeted for transfer to the General Fund in accordance with the provisions of Part V of this Act shall also be included.

b. Property Valuation Administrators

	1992-93	1993-94
General Fund	16,161,200	15,615,900
Restricted Funds	2,096,800	1,955,200
Total	18,258,000	17,571,100

Included in the above General Fund appropriation is $1,500,000 in fiscal year 1992-93 and $500,000 in fiscal year 1993-94 for continuation of the Emergency Assessment Program to be administered by the Department of Property Taxation. Any balance at the end of fiscal year 1992-93 shall not lapse, but shall be carried forward for the completion of this program.

c. Department of Tax Compliance

	1992-93	1993-94
General Fund	19,047,100	20,517,400
Road Fund	1,000,000	1,000,000
Restricted Funds	2,456,800	***2,137,900*** [~~1,252,400~~]
Total	22,503,900	***23,655,300*** [~~22,769,800~~]

The Road Funds appropriated above represent the cost of the Road Fund Compliance Programs within the Revenue Cabinet including six additional permanent full-time employees and are to be used exclusively for that purpose.

Notwithstanding the provision of KRS 365.390, the accumulated balance in the Cigarette Enforcement Agency Fund Account is hereby appropriated for any lawful tax compliance activity.

d. Department of Property Taxation

	1919-92	1992-93	1993-94
General Fund	975,500	5,428,100	5,557,700
Road Fund		250,000	250,000
Restricted Funds		354,000	254,000
Total	975,500	6,032,100	6,061,700

The Road Funds appropriated above represent the road fund portion of the costs of the Motor Vehicle Property Tax program and are to be used exclusively for that purpose. In accordance with the provisions of KRS 134.400 it is the intent of the General Assembly to establish the Delinquent Tax Fund in the Department of Property Taxation. Proceeds shall be deposited to this account according to KRS 134.400 except that the first $100,000 shall be deposited exclusively to the General Fund.

TOTAL - REVENUE CABINET

	1919-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund	----	1,250,000	1,250,000
Restricted Funds		5,030,100	***4,402,100*** [~~3,516,600~~]
TOTAL	1,125,500	62,385,900	***63,440,900*** [~~62,555,400~~]

76. KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION

	1919-92	1992-93	1993-94
Restricted Funds		133,782,200	145,061,700

TOTAL REVENUE

	1919-92	1992-93	1993-94
General Fund	1,125,500	56,105,800	57,788,800
Road Fund		1,250,000	1,250,000
Restricted Funds		138,812,300	***149,463,800*** [~~148,578,300~~]
TOTAL	1,125,500	196,168,100	***208,502,600*** [~~207,617,100~~]

Section 24. To the extent that 1992 Kentucky Acts Chapter 459, the 1992-94 State/Executive Branch Budget Memorandum, is in conflict with Section 22 or 23 of this Act, the conflicting provision of 1992 Kentucky Acts Chapter 459 is superseded by the provision of Section 22 or 23 of this Act, which shall control.

Section 25. The following KRS sections are repealed, effective April 1, 1993:

205.576 Assessment of cost-based providers - Use of assessments - Return to providers - Appeals

205.577 Assessment of medical providers - Use of assessments - Return to providers - Appeals

Section 26. The following KRS sections are repealed, effective June 30, 1993:

205.575 Hospital indigent care assurance program

205.578 Legislative review of medical assessment improvement trust fund expenditures and transfers

Section 27. A Task Force is hereby created to study issues relating to health care reform in Kentucky. The Task Force shall be comprised of the following twenty-five (25) members:

(1) The President of the Senate and the Speaker of the House of Representatives, who shall serve as co-chairs of the Task Force;

(2) The following members of the Senate: President Pro Tem, Majority Floor Leader, Minority Floor Leader, Majority Caucus Chairman, Minority Caucus Chairman, Majority Whip, and Minority Whip;

(3) The following members of the House of Representatives: Speaker Pro Tem, Majority Floor Leader, Minority Floor Leader, Majority Caucus Chairman, Minority Caucus Chairman, Majority Whip, and Minority Whip;

(4) The House and Senate chairs of the Health and Welfare Committee, and the Appropriations and Revenue Committee; and

(5) Five (5) members to be appointed by the Governor.

Section 28. The Task Force shall review all legislation relating to health care reform and other related issues now pending before the Second Extraordinary Session of the General Assembly for the purpose of developing comprehensive health care reform legislation.

Section 29. The Task Force shall provide an initial progress report to be submitted to the Legislative Research Commission and the Governor's Office no later than September 1, 1993.

Section 30. The Task Force shall be jointly staffed by the Legislative Research Commission and the Executive Branch.

Section 31. There is appropriated two hundred thousand dollars ($200,000) from the General Fund in fiscal year 1992-93 for the purpose of providing staff services and necessary expenses of the Task Force. These funds shall not lapse but shall be carried forward into fiscal year 1993-94.

Section 32. It is the express intent of the General Assembly in enacting Section 25 of this Act that the repeals of KRS 205.576 and 205.577 be retroactive to April 1, 1993.

Section 33. Whereas the tax currently levied and used as a funding source for the medicaid program is invalid as of July 1, 1993, the tax levied under the provisions of this Act is for the purpose of conforming to federal requirements and is to be used as a source of funding for the medicaid program.

Section 34. Whereas it is essential that the Commonwealth continues to receive maximum federal participation in its medical assistance program, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

The Senate Floor Amendment No. 2 to **HB 1** is as follows:

Amend printed copy of **HB 1/SCS** on page 21, line 14, after the word "***to***" by deleting "***, the 100%***" and inserting in lieu thereof "***one hundred percent (100%)***".

The Senate Floor Amendment No. 4 to **HB 1** is as follows:

Amend printed copy of **HB 1**/SCS on page 21, line 8, after the word "***exceed***" by deleting the following language in its entirety: "***actual uncompensated care cost to***"; and

On page 21, by deleting line 9 in its entirety; and

On page 21, line 11, by deleting the period "." and inserting the following language "***, based upon compensation for the services at the facility's medicaid rate.***"

The Senate Floor Amendment No. 7 to **HB 1** is as follows:

Amend printed copy of **HB 1**/SCS on page 19, line 21, after the word "***to***" by inserting "***fund the Health Care Data Commission created in Section 23 of this Act and to***"; and

On page 19, line 24, after the word "***funds***" by inserting "***to the greatest extent possible***"; and

On page 22, between lines 17 and 18, by inserting the following new sections:

"SECTION 22. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

As used in Sections 23 to 29 of this Act, unless the context requires otherwise:

(1) "Ambulatory facility" means a facility, including an ambulatory surgical facility, ambulatory care clinic, alternative birth center, mobile health service, or a specialized medical technology service, which is not part of a hospital, and which is licensed pursuant to KRS Chapter 216B, and which provides one (1) or more major ambulatory procedures to patients not requiring hospitalization.

(2) "Charge" means all amounts billed by a hospital or ambulatory facility, including charges for all ancillary and support services or procedures, prior to any adjustment for bad debts, charity, contractual allowances, administrative or courtesy discounts, or similar deductions from revenue. However, if necessary to achieve comparability of information between providers, charges for the professional services of hospital-based or ambulatory facility-based physicians shall be excluded from the calculation of charge.

(3) "Commission" means the Kentucky Health Care Data Commission created pursuant to Section 23 of this Act.

(4) "Facility" means, whether operated for a profit or not, any hospital or other health care facility required to be licensed pursuant to KRS Chapter 216B.

(5) "Health care provider" or "provider" means any facility and service required to be licensed pursuant to KRS Chapter 216B, pharmacist as defined pursuant to KRS Chapter 315, and any of the following independent practicing practitioners:

(a) Physicians, osteopaths, and podiatrists licensed pursuant to KRS Chapter 311;

(b) Chiropractors licensed pursuant to KRS Chapter 312;

(c) Dentists licensed pursuant to KRS Chapter 313;

(d) Optometrists licensed pursuant to KRS Chapter 320;

(e) Physician assistants regulated pursuant to KRS Chapter 311;

(f) Nurse practitioners licensed pursuant to KRS Chapter 314; and

(g) Other health care practitioners as determined by the commission by administrative regulations promulgated pursuant to KRS Chapter 13A.

(6) "Hospital" means a facility licensed pursuant to KRS Chapter 216B as either an acute care hospital, psychiatric hospital, rehabilitation hospital, or chemical dependency treatment facility.

(7) "Hospital services" means:

(a) Inpatient hospital services as enumerated in medicare regulation 42 C.F.R. Sec. 409.10, as it may be amended from time to time;

(b) Emergency services;

(c) Outpatient services provided by the hospital; and

(d) Physician and other services provided in a hospital on an inpatient or outpatient basis.

(8) "Procedures" means those surgical, medical, radiological, diagnostic, or therapeutic procedures performed by any provider as designated by administrative regulations under KRS Chapter 13A as those for which reports to the commission shall be required. "Procedures" also includes procedures that are provided in hospitals or other licensed ambulatory facilities, or those which require the use of special equipment, including fluoroscopic equipment, computer tomographic scanners, magnetic resonance imagers, mammography, ultrasound equipment, or any other new technology as determined by the commission.

(9) "Quality" means the extent to which a provider renders care which obtains for patients optimal health outcomes.

(10) "Risk-adjusted" means mathematically modified to remove the effects of differences among providers in their patients' severity of illness or other factors that are not the result of the providers' treatment of the patients, but that are likely to affect the charges or quality of care.

SECTION 23. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

(1) The Kentucky Health Care Data Commission is hereby created as an independent agency of state government. The goal of the commission shall be to collect information on the cost, quality, and outcomes of health services provided in the Commonwealth. The commission shall be attached for administrative purposes to the Cabinet for Human Resources.

(2) The commission shall consist of five (5) members appointed by the Governor and confirmed by the Kentucky Senate. The members shall be part-time state employees. A chairman shall be appointed by the Governor from among the membership. Three (3) members shall not have, nor have had, any full-time employment with any facility nor be, nor have been, a licensed provider. Two (2) members shall be either individuals with at least five (5) years experience in the management or operation of a facility or a licensed provider for at least five (5) years. Each member shall have a demonstrated interest in the provision of efficient, economical, and quality health care. Each member shall receive one hundred dollars ($100) per day for attending each meeting of the commission. Each member shall be reimbursed for the member's necessary travel and other expenses actually incurred in the discharge of the member's duties on the commission. The Governor may at any time remove any member for cause after furnishing the member with a written copy of the charges against the member and affording the member a public hearing if requested. The members shall comply with the provisions of KRS Chapter 11A and any code of ethics for executive branch employees that is imposed by statute or executive order; however, notwithstanding any contrary provision contained in KRS Chapter 11A or any code of ethics for executive branch employees, no member of the commission shall accept employment or compensation from any facility or provider following the end of the member's term.

(3) The terms of members of the commission shall be four (4) years. The terms of initial members shall be staggered to end as follows:

(a) Two (2) on June 30, 1994;

(b) Two (2) on June 30, 1995; and

(c) One (1) on June 30, 1996.

(4) At the end of a term, a member shall continue to serve until a successor is appointed and qualifies. A member who is appointed after a term has begun shall serve the rest of the term and until a successor is appointed and qualifies. A member who serves two (2) consecutive full four (4) year terms shall not be reappointed for four (4) years after completion of those terms.

(5) A majority of the full authorized membership of the commission shall constitute a quorum.

(6) The commission shall appoint an executive director to be the chief administrative officer of the commission. The executive director shall serve at the pleasure of the commission. Under the direction of the commission, the executive director shall perform any duty or function that the commission requires.

(7) The executive director may employ staff necessary for the performance of the duties of the commission. The commission's staff shall not be subject to the classified service provided for by KRS 18A.005 to 18A.200.

(8) No member of the commission shall be subject to any personal liability for any loss sustained or damage suffered on account of any action or inaction of the commission.

SECTION 24. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

(1) The commission may:

(a) Promulgate administrative regulations to carry out the provisions of Sections 22 to 30 of this Act;

(b) Appoint temporary volunteer advisory committees, which may include individuals and representatives of interested public or private organizations for the purposes of carrying out the provisions of Sections 22 to 30 of this Act;

(c) Apply for and accept any funds, property, or services from any person or government agency to carry out the purposes of Sections 22 to 30 of this Act;

(d) Make agreements with a grantor of funds or services, including an agreement to make any study allowed under Sections 22 to 30 of this Act; and

(e) Contract with a qualified, independent third party for any service necessary to carry out the provisions of Sections 22 to 30 of this Act; provided that, unless permission is granted specifically by the commission, a third party hired by the commission shall not release, publish, or otherwise use any information to which the third party has access under its contract.

(2) The commission shall:

(a) Publish and make available information that relates to the health care financing and delivery system that is in the public interest;

(b) Periodically participate in or conduct analyses and studies that relate to:

1. Health care costs; and

2. Health care providers and health services;

(c) Promulgate administrative regulations pursuant to KRS Chapter 13A that relate to its meetings, minutes, and transactions; and

(d) Prepare annually a budget proposal that includes the estimated income and proposed expenditures for the commission's administration and operation.

(3) The commission may promulgate administrative regulations pursuant to KRS Chapter 13A that impose civil fines not to exceed five hundred dollars ($500) for each violation for failure to file a report as required. The amount of any fine imposed shall not be included in the allowed costs of a facility for medicare or medicaid rembursement or for receipt of state funds under Sections 1 to 21 of this Act.

SECTION 25. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

(1) The power of the secretary for human resources over plans, proposals, and projects of units in the Cabinet for Human Resources does not include the power to disapprove or modify any decision or determination that the commission makes under powers specifically delegated to the commission under Sections 22 to 30 of this Act.

(2) The power of the secretary for human resources to transfer by administrative regulation, administrative order, or written directive, any staff, functions, or funds of units in the Cabinet for Human Resources does not apply to any staff, function, or funds of the commission.

SECTION 26. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall establish by promulgation of administrative regulations pursuant to KRS Chapter 13A, no later than September 1, 1993, those data elements required to be submitted to the commission

by all licensed hospitals and ambulatory facilities, including a timetable for submission and acceptable data forms which shall include the uniform claim form pursuant to KRS 304.14-135 or any other universal claim form to be determined by the commission. Thereafter, every hospital and ambulatory facility shall be required to report, on a periodic basis, information regarding the charge for and quality of the procedures and health care services performed therein, and as stipulated by administrative regulations promulgated pursuant to KRS Chapter 13A. The commission may conduct statistical surveys of a sample of hospitals, ambulatory facilities, or other providers in lieu of requiring the submission of information by all hospitals, ambulatory facilities, or providers.

(2) The commission shall require for submission to the commission by any provider, at the beginning of each fiscal year after January 1, 1994, within the limits of the state, federal, and other funds made available to the commission for that year, and as provided by promulgation of administrative regulations pursuant to KRS Chapter 13A, the following:

(a) A list of medical conditions, health services, and procedures for which outcome and charge data shall be collected and published at a time interval and in a manner determined by the commission;

(b) A timetable for filing data;

(c) A list of data elements that are necessary to enable the commission to analyze and disseminate risk-adjusted charge and quality information, including mortality and morbidity data;

(d) A format for data submission which shall include use of the uniform claim form pursuant to KRS 304.14-135 or any other universal claim form to be determined by the commission, and which may be in the form of magnetic computer tape, computer diskettes, or other electronic media, or through an electronic network, or in the form of hard copy;

(e) Procedures to allow health care providers at least thirty (30) days to review information generated from any data required to be submitted by them, with any reports generated by the commission to reflect valid corrections by the provider before the information is released to the public; and

(f) Procedures pertaining to the confidentiality of data collected.

(3) The commission shall coordinate its data-gathering activities with other data-collection activities conducted by the Cabinet for Human Resources and the Department of Insurance, as well as other state agencies which collect health-related service, utilization, financial, and health care personnel data, to prevent duplicate filing requirements.

(4) The commission shall conduct outcome analyses and effectiveness studies and prepare other reports pertaining to issues involving health care charges and quality.

(5) The commission may independently audit any data required to be submitted by providers as needed to corroborate the accuracy of the submitted data, and authorize its agents to enter upon the premises of a provider for purposes of the audit. Any audit may be at the expense of the commission and shall, to the extent practicable, be coordinated with other audits performed by state agencies.

(6) The commission may initiate activities set forth in subsections (1) or (2) of this section at any time after the effective date of this Act.

SECTION 27. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

(1) The following types of data shall be deemed as relating to personal privacy and, except by court order, shall not be published or otherwise released by the commission or its staff and shall not be subject to inspection under KRS 61.870 to 61.884:

(a) Any data, summary of data, correspondence, or notes that identify or could be used to identify any individual patient or member of the general public, unless the identified individual gives written permission to release the data or correspondence; and

(b) Any correspondence or related notes from or to an employee or employees of a provider if the correspondence or notes identify or could be used to identify any individual employee of a provider, unless the corresponding persons grant permission to release the correspondence.

(2) Health care providers submitting required data to the commission shall not be required to obtain individual permission to release the data, except as specified in subsection (1) of this section, and, if submission

of the data to the commission complies with pertinent administrative regulations promulgated pursuant to KRS Chapter 13A, shall not be deemed as having violated any statute or administrative regulation protecting individual privacy.

(3) No less than sixty (60) days after the annual report or reports are published and except as otherwise provided, the commission shall make all aggregate data which does not allow disclosure of the identity of any individual patient, and which was obtained for the annual period covered by the reports, available to the public. The aggregate data shall be made available in both printed format and in a standard electronic format which is readable by commonly available software for personal computers. Single copies of the printed data shall be made available to individuals at no cost. The commission may impose a fee no greater than that necessary to cover its costs for providing electronic or multiple printed copies of the data. At least one (1) printed and one (1) electronic copy of the aggregate data shall be provided without charge to the Legislative Research Commission.

(4) Identification of individual patients shall be in a nonidentifying numeric form and shall not include a patient's name or social security number. Any person who receives information identifying a patient through error or any other means shall return all copies of the information immediately.

(5) All data and information collected shall be kept in a secure location and under lock and key when specifically responsible personnel are absent.

(6) Only designated commission staff shall have access to raw data and information. The designated staff shall be made aware of their responsibilities to maintain confidentiality. Staff with access to raw data and information shall sign a statement indicating that the staff person accepts responsibility to hold that data or identifying information in confidence and is aware of penalties under state or federal law for breach of confidentiality. Data which, because of small sample size, breaches the confidence of individual patients, shall not be released.

(7) Any employee of the commission or member of the commission who violates the provisions of this section shall be fined not more than five hundred dollars ($500) for each violation or be confined in the county jail for not more than six (6) months, or both, and shall be removed and disqualified from office or employment.

SECTION 28. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

(1) The commission shall annually, on or before July 1, prepare and publish, in understandable language with sufficient explanation to allow consumers to draw meaningful comparisons, a report or reports on health care charges and quality which includes diagnosis-specific or procedure-specific comparisons for each hospital and ambulatory facility, differentiated by payor if relevant, and for other providers as relevant data becomes available.

(2) On or before October 1 of each year, submit to the Interim Joint Committees on Appropriations and Revenue and Health and Welfare and to the Governor an annual report on the operations and activities of the commission during the preceding fiscal year, including a copy of each study or report required under Sections 22 to 30 of this Act and any recommendations relating thereto.

(3) The commission shall report at least biennially, no later than October 1 of each odd-numbered year, to the Interim Joint Committees on Appropriations and Revenue and Health and Welfare and to the Governor on matters pertaining to comparative health care charges and quality, the effectiveness of its activities carried out relating to educating consumers and containing health care costs, and any recommendations regarding its data collection and dissemination activities.

(4) The commission shall report at least biennially, no later than October 1 of each odd-numbered year, on the special health needs of the minority population in the Commonwealth as compared to the population at-large. The report shall be transmitted to the Interim Joint Committees on Appropriations and Revenue and Health and Welfare and shall contain an overview of the health status of minority Kentuckians, identify the diseases and conditions experienced at disproportionate mortality and morbidity rates within the minority population, and shall make recommendations to meet the identified health needs of the minority population.

SECTION 29. A NEW SECTION OF KRS CHAPTER 216 IS CREATED TO READ AS FOLLOWS:

Every provider shall, as a condition of licensure, furnish to the commission any information required to comply with Sections 22 to 30 of this Act.

SECTION 30. A NEW SECTION OF SUBTITLE 99 OF KRS CHAPTER 304 IS CREATED TO READ AS FOLLOWS:

Any person violating KRS 304.14-135 shall be fined not less than one hundred dollars ($100) for each offense. Each claim that is required by the insurer to be submitted on a form which is found in violation of KRS 304.14-135 shall constitute a separate offense.

And on page 22, line 18,

By deleting "22" and inserting in lieu thereof "31"

And on page 34, line 2,

By deleting "23" and inserting in lieu thereof "32"

And on page 37, line 10,

By deleting "24" and inserting in lieu thereof "33"

And on page 37, line 12,

By deleting "22 or 23" and inserting in lieu thereof "31 or 32"

And on page 37, line 14,

By deleting "22" and inserting in lieu thereof "31"

And on page 37, line 15,

By deleting "23" and inserting in lieu thereof "32"

And on page 37, line 16,

By deleting "25" and inserting in lieu thereof "34"

And on page 37, line 22,

By deleting "26" and inserting in lieu thereof "35"

And on page 38, line 1,

By deleting "27" and inserting in lieu thereof "36"

And on page 38, line 20,

By deleting "28" and inserting in lieu thereof "37"

And on page 37, line 25,

By deleting "29" and inserting in lieu thereof "38"

And on page 39, line 3,

By deleting "30" and inserting in lieu thereof "39"

And on page 39, line 6

By deleting "31" and inserting in lieu thereof "40"

And on page 39 after line 11, by inserting the following language:

"Section 41. There is hereby appropriated out of the general fund an amount, not to exceed three million dollars ($3,000,000), for the fiscal year 1993-94 to the Health Care Data Commission to be expended for the purposes of collecting health care data pursuant to the provisions of Sections 22 to 30 of this Act. The above general fund appropriation shall be reduced dollar for dollar to the extent that funds are available from the Medicaid Assistance Revolving Trust Fund established in Section 20 of this Act, as certified by the Secretary for Human Resources. Certification as to the amount available for this purpose shall be reported to the State Budget Director and to the Legislative Research Commission."

And on page 39, line 12,

By deleting "32" and inserting in lieu thereof "42"

And on page 39, line 13,

By deleting "25" and inserting in lieu thereof "34"

And on page 39, line 16,

By deleting "33" and inserting in lieu thereof "43"

And on page 39, line 22,

By deleting "34" and inserting in lieu thereof "44"

The Senate Floor Amendment No. 9 to **HB 1** is as follows:

Amend printed copy of **HB 1/SCS** on page 22, line 16, after the word "***physician***" by inserting "***services,***" and by placing brackets and striking through the word "***and***" and after the words "***dental services***" by inserting the following language: "***, and services provided by other independent providers***".

The Senate Floor Amendment No. 14 to **HB 1** is as follows:

Amend printed copy of **HB 1/SCS** on page 5, line 22, by deleting the word "***unless***" and inserting in lieu thereof the word "***if***".

Representative Long moved that the House concur in Senate Committee Substitute to **HB 1**.

On the roll call the vote was yeas 58—Adams, Adkins, Altman, Arnold, Bowling, Brown, Bruce, Burch, Butler, Callahan, L. Clark, P. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Fox, French, Gedling, Geveden, Gray, Hancock, Hatcher, Jensen, Johnson, Kerr, Lee, LeMaster, Lewis, Little, Long, Maggard, Mason, Morris, Noland, Nunn, Palumbo, Pearman, Rapier, Rasche, Richards, Riggs, Riner, Scorsone, Shacklette, Sheehan, Stacy, Stengel, Stumbo, Todd, Ward, Wayne, Yates. Nays 32—Ackerson, Allen, Ballard, Bentley, Bryant, Buis, Cave, Farley, Ford, Gee, Graham, J. Harper, K. Harper, Heleringer, Keith, Lear, Lile, LIndsay, Lyne, Moberly, Mullinix, Napier, Nelson, Nesler, Reinhardt, Ridley, Sanders, Trapp, Turner, Walton, Worthington, Zimmerman.

The motion that the House concur in Senate Committee Substitute to **HB 1** was adopted.

Representative Long moved that the House concur in the Senate Floor Amendments.

Representative Barrows inquired if each Senate Floor Amendment should be voted on separately.

The Speaker ruled that the body could decide on the issue.

Representative Long moved that the House concur in Senate Floor Amendment No. 2 to **HB 1**. Agreed.

Representative Long moved that the House concur in Senate Floor Amendment No. 4 to **HB 1**. Agreed.

Representative Long moved that the House concur in Senate Floor Amendment No. 7 to **HB 1**. Agreed.

Representative Long moved that the House concur in Senate Floor Amendment No. 9 to **HB 1**. Agreed.

Representative Long moved that the House concur in Senate Floor Amendment No. 14 to **HB 1**. Agreed.

Representative Long moved that **HB 1**, by way of Senate Committee Substitute as amended by the Senate, be passed.

On the roll call the vote was: Yeas 58, Nays 34. (See May 27, 1993 roll call on **HB 1** - Appendix A.)

HB 1, by way of Senate Committee Substitute as amended by the Senate, was passed and the title agreed to.

Representative Long moved that the vote by which **HB 1**, by way of Senate Committee Substitute as amended by the Senate, was passed be reconsidered and said motion be placed on the table. Agreed.

Motions, Petitions and Communications

Representative Heleringer moved that the rules be suspended to introduce and act upon a Resolution. Agreed.

HR 56, by Representative Heleringer: A RESOLUTION honoring Katherine "Katie" Northup, champion swimmer.

Representative Heleringer moved the adoption of the following **HR 56**:

HR 56, A RESOLUTION honoring Katherine "Katie" Northup, champion swimmer.

WHEREAS, Katherine "Katie" Northup is the beloved daughter of Representative Anne Northup, and an English literature and communications major at St. Mary's College in South Bend, Indiana; and

WHEREAS, Representative Anne Northup is the sister of Mary T. Meagher, Olympic gold medalist and present world record holder in the butterfly; and

WHEREAS, sophomore Katie Northup has been setting records of her own for St. Mary's College, most recently in the 1650 freestyle during the 1992-1993 season, which helped her win the school's Most Valuable Swimmer Award; and

WHEREAS, as a freshman, Katie Northup was a dream come true for swimming coach Dennis Cooper who bestowed upon her the Coach's Award for the 1991-1992 season for her overall performance and prowess in the individual medley and butterfly events; and

WHEREAS, Katie Northup has developed a serious illness and now has other priorities in mind;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of this honorable body do hereby congratulate Katherine "Katie" Northup on her outstanding swimming accomplishments and wish her a speedy recovery from her illness.

Section 2. That the House of Representatives knows that champion swimmers, among all others, know how to win and beat all odds and therefore adjourn in honor of Katherine "Katie" Northup.

Section 3. That the Clerk of the House of Representatives is directed to transmit a copy of this Resolution to Katherine "Katie" Northup, in care of her mother, Representative Anne Northup.

HR 56 was adopted by voice vote.

Representative Heleringer moved that a call of the roll be taken to show co-sponsors of **HR 56**. Agreed.

On the roll call the vote was yeas 83—Ackerson, Adams, Adkins, Allen, Altman, Arnold, Ballard, Bentley, Bowling, Brown, Bryant, Buis, Butler, Callahan, Cave, L. Clark, Clarke, Coleman, Collins, Crenshaw, Curd, Cyrus, Damron, DeWeese, Donnermeyer, Farley, Ford, Fox, French, Gedling, Gee, Geveden, Graham, Gray, Hancock, J. Harper, Hatcher, Heleringer, Jensen, Johnson, Keith, Kerr, Lear, Lee, Lewis, Lile, Lindsay, Long, Lyne, Maggard, Mason, Moberly, Morris, Mullinix, Napier, Nesler, Noland, Northup, Nunn, Palumbo, Pearman, Rapier, Rasche, Reinhardt, Richards, Riggs, Riner, Sanders, Scorsone, Shacklette, Sheehan, Stacy, Stengel, Stumbo, Todd, Trapp, Turner, Walton, Ward, Wayne, Worthington, Yates, Zimmerman. Nays 0.

Representative Stumbo moved that no further business be conducted on this day except for Senate Messages, Enrollment of Bills and Resolutions and Adjournment. Agreed.

Representative Stumbo moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Stumbo moved the adoption of the following **SCR 40**:

SCR 40, A CONCURRENT RESOLUTION to adjourn the 1993 Second Extraordinary Session of the General Assembly sine die.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Thursday, May 27, 1993, they do adjourn sine die.

SCR 40 was adopted by voice vote.

Representative Stumbo moved that when the House does adjourn, it does so by voice vote. Agreed.

Representative Stumbo moved that when the House does adjourn this day, it does adjourn sine die until 12 Noon, Tuesday, January 4, 1994 unless called into extraordinary session by the Governor. Agreed.

Recess

Representative Stumbo moved that the House recess pending receipt of the Enrollment Committee Report. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Report on Enrolled Bills

The Committee on Enrollment reported that **HB 1** has been examined and found correctly enrolled. Said Bill was read at length, compared and signed in open session by the Speaker, and ordered delivered to the Senate. (Time - 3:32 p.m.)

The House stands at ease.

HB 1 was delivered to the Senate and signed by the President. Delivered to the Governor on May 27, 1993 at 3:59 p.m.

The Speaker called the House to order.

Representative Stumbo moved that the reading of the Journal of May 27, 1993 be dispensed with and the same approved. Agreed.

Representative Stumbo moved that the Journal of the House of Representatives for the Second Extraordinary Session of 1993 be approved. Agreed.

Adjournment

Representative Stumbo moved that the House adjourn sine die until January 4, 1994 unless called into extraordinary session by the Governor.

The motion that the House adjourn sine die until January 4, 1994 unless called into extraordinary session by the Governor was adopted by voice vote.

APPROVED: /s/Joe Clarke, Speaker
House of Representatives

ATTEST: /s/Evelyn Marston, Chief Clerk
House of Representatives

KENTUCKY GENERAL ASSEMBLY 1993 SECOND EXTRAORDINARY SESSION

HOUSE

Officers

Speaker	Joe Clarke
Speaker Pro Tem	Larry Clark
Chief Clerk	Evelyn Marston
Assistant Clerk	Julie Wheat
Enrolling Clerk	Margaret Watts
Sergeant At Arms	Emmett A. Slattery
Chief Doorkeeper	William “Bunny” Davis
Cloakroom Keeper	Lawrence Parrish
Cloakroom Keeper	Albert Robinson
Janitor	George Fritz

(Legislators' names are in alphabetical order with party affiliation designated by initial, home town, counties in district, and number of the legislative district.)

ACKERSON, JON W. (R-Jeffersontown) Jefferson, 47
ADAMS, ROYCE W. (D-Dry Ridge) Carroll, Grant, Harrison, Owen, Pendleton, 61
ADKINS, ROCKY (D-Sandy Hook) Boyd, Elliott, Lawrence, 99
ALLEN, WILLARD C. "WOODY" (R-Morgantown) Butler, Grayson, Ohio, 17
ALTMAN, RAY H. (R-Campbellsville) Green, Metcalfe, Taylor, 51
ARNOLD, ADRIAN (D-Mount Sterling) Bath, Menifee, Montgomery, Powell, 74
BALLARD, EDDIE (D-Madisonville) Hopkins, 10
BARROWS, JOSEPH HOWARD (D-Versailles) Franklin, Jessamine, Woodford, 56
BENTLEY, RUSSELL O. (D-Topmost) Floyd, Knott, Letcher, Perry, 92
BOWLING, MICHAEL DEAN (D-Middlesboro) Bell, Harlan, Leslie, 87
BROWN, MARK S. (D-Brandenburg) Bullitt, Hardin, Meade, 27
BRUCE, JAMES E. (D-Hopkinsville) Christian, Hopkins, 9
BRYANT, JO ELIZABETH (R-Williamsburg) McCreary, Whitley, 82
BUIS, JEFFREY (R-Liberty) Casey, Russell, Wayne, 52
BURCH, THOMAS J. (D-Louisville) Jefferson, 30
BUTLER, DENVER (D-Louisville) Jefferson, 38
CALLAHAN, JAMES P. (D-Southgate) Campbell, Kenton, 67
CAVE, STAN (R-Lexington) Fayette, 45
CLARK, LARRY (D-Louisville) Jefferson, 46
CLARK, PAUL (D-Louisville) Jefferson, 37
CLARKE, P. JOSEPH (D-Danville) Boyle, Lincoln, 54
COLEMAN, JACK L., JR. (D-Burgin) Anderson, Mercer, Spencer, 55
COLLINS, HUBERT (D-Wittensville) Johnson, Magoffin, Martin, 97
CRENSHAW, JESSE (D-Lexington) Fayette, 77
CURD, FREED (D-Murray) Calloway, Trigg, 5
CYRUS, RONALD R. (D-Flatwoods) Greenup, 98
DAMRON, ROBERT R. (D-Nicholasville) Garrard, Jessamine, Lincoln, 39
DESKINS, HERBERT “HERBIE,” JR. (D-Pikeville) Martin, Pike, 94
DEWEESE, BOB (R-Louisville) Jefferson, 48
DONNERMEYER, WILLIAM I., SR. (D-Bellevue) Bracken, Campbell, Pendleton, 68
FARLEY, DONALD B. (R-Ashland) Boyd, 100
FARROW, MARK (D-Stamping Ground) Harrison, Scott, 62
FORD, DANNY R. (R-Mt. Vernon) McCreary, Pulaski, Rockcastle, Wayne, 80

FOX, RICK (D-Harlan) Harlan, 88
FRENCH, KENNY R. (D-Warsaw) Boone, Gallatin, 60
GEDLING, DONNIE (D-Hardinsburg) Breckinridge, Hancock, Hardin, Meade, 18
GEE, WALTER (R-Grayson) Carter, Lewis, 96
GEVEDEN, CHARLES R. (D-Wickliffe) Ballard, Carlisle, Fulton, Hickman, McCracken, 1
GRAHAM, DREW (D-Winchester) Clark, Powell, 73
GRAY, LEONARD (D-Louisville) Jefferson, 42
HANCOCK, C. M. "HANK" (D-Frankfort) Franklin, 57
HARPER, JOHN (R-Shepherdsville) Bullitt, 49
HARPER, KENNETH F. (R-Crestview Hills) Kenton, 63
HATCHER, E. PORTER, JR. (D-Louisville) Jefferson, 43
HELERINGER, BOB (R-Louisville) Jefferson, 33
HOURIGAN, DAVE (D-Gravel Switch) Hart, Larue, Marion, Washington, 24
JENSEN, TOM (R-London) Laurel, 85
JOHNSON, E. LOUIS (D-Owensboro) Daviess, 13
KEITH, STEPHEN C. (R-Manchester) Clay, Leslie, Perry, 90
KERR, THOMAS R. (D-Taylor Mill) Kenton, 64
LEAR, WILLIAM M., JR. (D-Lexington) Fayette, 79
LEE, JIMMY (D-Elizabethtown) Hardin, 25
LeMASTER, JIM (D-Paris) Bourbon, Fayette, Nicholas, 72
LEWIS, RICHARD H. (D-Benton) Caldwell, Lyon, Marshall, 6
LILE, BILL (R-Valley Station) Jefferson, 28
LINDSEY, GROSS C. (D-Henderson) Henderson, 11
LITTLE, N. CLAYTON (D-Virgie) Pike, 93
LONG, MARSHALL (D-Shelbyville) Henry, Shelby, Trimble, 58
LYNE, JUNE D. (D-Olmstead) Logan, Todd, 16
MAGGARD, JIM (D-Jackson) Breathitt, Magoffin, Perry, Wolfe, 89
MASON, PAUL (D-Whitesburg) Letcher, Perry, Pike 91
McELROY, SAM M. (D-Waverly) Daviess, Henderson, Union, 7
MOBERLY, HARRY, JR. (D-Richmond) Madison, 81
MORRIS, H. RAMSEY, JR. (D-Hopkinsville) Christian, Trigg, 8
MULLINIX, RAY (R-Burkesville) Adair, Clinton, Cumberland, Wayne, 53
NAPIER, LONNIE (R-Lancaster) Garrard, Jackson, Lincoln, Madison, Pulaski, 36
NELSON, CHARLES "PREACHER" (D-Bremen) McLean, Muhlenberg, 15
NESLER, FRED (D-Mayfield) Graves, McCracken, 2
NOLAND, CLARENCE D., Jr. (R-Irvine) Estill, Jackson, Lee, Owsley, 84
NORTHUP, ANNE MEAGHER (R-Louisville) Jefferson, 32
NUNN, STEPHEN R. (R-Glasgow) Barren, Metcalfe, 23
PALUMBO, RUTH ANN (D-Lexington) Fayette, 76
PEARMAN, VIRGIL (D-Radcliff) Bullitt, Hardin, Larue, 26
RAPIER, KENNY (D-Bardstown) Nelson, Spencer, Washington, 50
RASCHE, FRANK (D-Paducah) McCracken, 3
REINHARDT, JON DAVID (R-Alexandria) Boone, Campbell, Kenton, 69
RICHARDS, JODY (D-Bowling Green) Warren, 20
RIDLEY, J. DORSEY (D-Dixon) Caldwell, Hopkins, McLean, Webster, 12
RIGGS, STEVE (D-Louisville) Jefferson, 31
RINER, TOM (D-Louisville) Jefferson, 41
SANDERS, RICHARD A. "RICHIE," JR. (R-Smiths Grove) Edmonson, Grayson, Hardin, Warren, 19
SCORSONE, ERNESTO (D-Lexington) Fayette, 75
SHACKLETTE, DONNA (D-Louisville) Jefferson, 40
SHEEHAN, MARTIN J. (D-Covington) Kenton, 65
SMITH, BILLY RAY (D-Bowling Green) Simpson, Warren, 21
SMITH, REX (D-Grand Rivers) Crittenden, Livingston, McCracken, 4

STACY, JOHN WILL (D-West Liberty) Magoffin, Menifee, Morgan, Rowan, 71
STENGEL, DAVE (D-Louisville) Jefferson, 29
STUMBO, GREGORY D. (D-Prestonburg) Floyd, Martin, 95
TODD, THOMAS W. "TOMMY" (R-Nancy) Pulaski, 83
TRAPP, LESLIE (D-Lexington) Fayette, 78
TURNER, RICHARD A. (R-Tompkinsville) Allen, Monroe, Simpson, 22
WALTON, CHARLIE (R-Florence) Boone, Kenton, 66
WARD, MIKE (D-Louisville) Jefferson, 34
WAYNE, JIM (D-Louisville) Jefferson, 35
WORTHINGTON, PETE (D-Ewing) Bracken, Fleming, Mason, Robertson, 70
YATES, JAMES BERNARD (D-Shively) Jefferson, 44
ZIMMERMAN, JAMES F. (R-LaGrange) Oldham, Trimble, 59

***14th and 86th Districts vacant.**

APPENDIX

ROLL CALLS

HB 1 (May 20) **Yeas** 68-R. Adams, R. Adkins, R. Altman, A. Arnold, E. Ballard, R. Bentley, M. Bowling, M. Brown, T. Burch, D. Butler, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, H. Deskins, B. Donnermeyer, M. Farrow, D. Ford, K. French, D. Gedling, C. Geveden, D. Graham, L. Gray, H. Hancock, P. Hatcher Jr., D. Hourigan, T. Jensen, L. Johnson, T. Kerr, J. LeMaster, J. Lee, R. Lewis, G. Lindsay, P. Mason, H. Moberly, R. Mullinix, L. Napier, F. Nesler, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Reinhardt, J. Richards, S. Riggs, T. Riner, E. Scorsone, D. Shacklette, M. Sheehan, B. Smith, R. Smith, J. Stacy, D. Stengel, G. Stumbo, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 24-J. Ackerson, W. Allen, J. Barrows, J. Bruce, J. Bryant, J. Buis, S. Cave, D. Farley, J. Harper, K. Harper, B. Heleringer, S. Keith, B. Lear, B. Lile, J. Lyne, J. Maggard, R. Morris, C. Nelson, D. Ridley, R. Sanders, Jr., T. Todd, L. Trapp, R. Turner, C. Walton. **Pass** 0.

HB 1 (May 27) **Yeas** 58-R. Adams, R. Adkins, R. Altman, A. Arnold, R. Bentley, M. Bowling, M. Brown, J. Bruce, T. Burch, D. Butler, J. Callahan, L. Clark, P. Clark, J. Clarke, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, B. Donnermeyer, R. Fox, K. French, C. Geveden, L. Gray, H. Hancock, P. Hatcher Jr., T. Jensen, L. Johnson, T. Kerr, J. LeMaster, J. Lee, R. Lewis, C. Little, M. Long, J. Maggard, P. Mason, R. Morris, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, F. Rasche, J. Richards, S. Riggs, T. Riner, E. Scorsone, D. Shacklette, M. Sheehan, J. Stacy, D. Stengel, G. Stumbo, M. Ward, J. Wayne, J. Yates. **Nays** 34-J. Ackerson, W. Allen, E. Ballard, J. Barrows, J. Bryant, J. Buis, S. Cave, D. Farley, D. Ford, D. Gedling, W. Gee, D. Graham, J. Harper, K. Harper, B. Heleringer, S. Keith, B. Lear, B. Lile, G. Lindsay, J. Lyne, H. Moberly, R. Mullinix, L. Napier, C. Nelson, F. Nesler, J. Reinhardt, D. Ridley, R. Sanders, Jr., T. Todd, L. Trapp, R. Turner, C. Walton, P. Worthington, J. Zimmerman. **Pass** 0.

HB 2 (May 14) **Yeas** 83-J. Ackerson, R. Adams, R. Adkins, W. Allen, R. Altman, A. Arnold, E. Ballard, J. Barrows, R. Bentley, M. Bowling, M. Brown, J. Bruce, J. Buis, J. Callahan, S. Cave, L. Clark, P. Clark, J. Coleman, H. Collins, J. Crenshaw, F. Curd, R. Cyrus, R. Damron, B. DeWeese, H. Deskins, B. Donnermeyer, D. Farley, D. Ford, R. Fox, K. French, D. Gedling, W. Gee, D. Graham, L. Gray, H. Hancock, J. Harper, K. Harper, P. Hatcher Jr., B. Heleringer, D. Hourigan, T. Jensen, L. Johnson, S. Keith, T. Kerr, J. LeMaster, B. Lear, J. Lee, B. Lile, G. Lindsay, M. Long, J. Lyne, J. Maggard, P. Mason, H. Moberly, R. Morris, R. Mullinix, L. Napier, F. Nesler, C. Noland, A. Northup, S. Nunn, R. Palumbo, V. Pearman, K. Rapier, J. Richards, S. Riggs, T. Riner, R. Sanders, Jr., E. Scorsone, D. Shacklette, M. Sheehan, J. Stacy, D. Stengel, G. Stumbo, T. Todd, L. Trapp, R. Turner, C. Walton, M. Ward, J. Wayne, P. Worthington, J. Yates, J. Zimmerman. **Nays** 0. **Pass** 0.

HISTORY OF HOUSE BILLS

(Numbers refer to page of House Journal. The text of a bill is given on first reading. Sponsors are indicated on the page of introduction.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Introduced	Referred	Reported	Readings			Sub. or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
				1st	2nd	3rd						
HB 1	356	358	358	358	377	452	381, 405, 417, 422, 425, 428, 429, 431, 433, 437, 439, 440, 441, 442, 444, 446, 447, 449, 483, 497, 498, 504	453, 504	477	483, 504	506 (506)	358, 377, 381, 397, 405, 417, 422, 463, 466
HB 2	357	358	358	369	377	419		419	457		465 (469)	358, 377, 381, 397
HB 3	357	358	393	393	402		395, 403, 405, 451					358, 402, 422
HB 4	357	358										358, 426
HB 5	357	377										402
HB 6	377	381	451	451	459		451					402
HB 7	378	381										402, 466
HB 8	402	405										
HB 9	458	459										
HB 10	470	470										

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)

***Voting modifications appear at the member's name in the subject index.**

Res. No.	Intro-duced	Re-ferred	Re-ported		Readings		Sub. or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
				1st	2nd	3rd						
HR 1	357							357				
HR 2	357							357				
HR 3	357							357				370
HR 4	377							378				378, 466
HR 5	378							379				
HR 6	397							398				
HR 7	402											
HR 8	401							401				402
HR 9	405							418				418
HR 10	405							422				
HR 11	419							420				420
HR 12	425							463				466
HR 13	425											
HR 14	425							438				
HR 15	420							421				
HR 16	425							428				428, 466
HR 17	425							427				427
HR 18	435							460				
HR 19	426							427				
HR 20	435							438				438
HR 21	435							461				
HR 22	435							461				
HR 23	435							462				
HR 24	435							436				
HR 25	450							462				
HR 26	450							463				
HR 27	450							453				
HR 28	450							454				
HR 29	451							456				
HR 30	451							455				
HR 31	451							454				
HCR 32	458											
HR 33	458											
HR 34	457							458				458
HR 35	458							458				458
HR 36	458							471				
HR 37	458							459				
HR 38	465							466				
HR 39	465							466				
HR 40	470							478				
HR 41	469							470				
HR 42	470							471				
HR 43	473							473				
HR 44	473							474				474
HR 45	477							478				478
HR 46	474							475				
HR 47	475							475				
HR 48	476							476				476
HR 49	477							479				
HR 50	477							480				
HR 51	477							480				
HR 52	481							482				
HR 53	482							483				
HR 54	480							481				
HR 55	483							483				
HR 56	505							505				505

HISTORY OF SENATE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.)

***Voting modifications appear at the member's name in the subject index.**

Bill No.	Senate Message	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Concur Activities	En-rolled	Other Action
SCR 40	477							506			

SUBJECT INDEX

ACKERSON, JON
HR 4, 8, 9, 16, 20, 45, 56; HB 7

ACTUARIAL ANALYSIS
Omnibus Health Care Reform - HB 4

ADAMS, ROYCE
HR 4, 8, 9, 11, 16, 17, 20, 27, 34, 35, 44, 45, 56

ADKINS, ROCKY
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

ALLEN, WILLARD "WOODY"
HR 4, 8, 9, 11, 16, 34, 35, 44, 45, 56

ALTMAN, RAY
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

APPROPRIATIONS
Health insurance subsidy funding - HB 7
LRC for Second 1993 Extraordinary Session - HB 2
Omnibus health care reform - HB 4

ARBITRATION
Medical malpractice, voluntary and binding - HB 7

AREA DEVELOPMENT DISTRICTS
Arbitration panel members to live outside - HB 7

ARNOLD, ADRIAN
HR 4, 8, 9, 11, 16, 17, 20, 41, 44, 56

BALLARD, EDDIE
HR 4, 8, 9, 11, 16, 17, 20, 29, 34, 35, 44, 56
Voting modification; p. 463 - HB 1Y to N

BARROWS, JOE
HR 8, 9, 11, 12, 16, 17, 20, 39, 44, 45, 52, 53
Appointed Chairman, Committee to wait upon the Governor - p. 370

BENTLEY, RUSSELL
HR 4, 8, 9, 11, 15, 16, 20, 34, 35, 44, 45, 56; HB 8

BOWLING, MIKE
HR 4, 8, 11, 16, 17, 20, 34, 35, 44, 45, 56

BROWN, MARK
HR 8, 9, 11, 16, 17, 20, 34, 35, 42, 44, 45, 46, 47, 48, 56

BRUCE, JAMES
HR 4, 8, 9, 11, 16, 17, 34, 35, 38, 44

BRYANT, JO ELIZABETH
HR 16, 17, 44, 45, 56

BUDGET AND FINANCIAL ADMINISTRATION
Appropriation to LRC for Second 1993 Extraordinary Session - HB 2
Federal Mandate Relief Act, support of - HR 40

BUIS, JEFFREY
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

BURCH, TOM
HR 4, 8, 9, 11, 16, 17, 34, 35, 44; HB 4, 5, 6

BUTLER, DENVER
HR 16, 17, 20, 34, 35, 44, 45, 56

CALLAHAN, JIM
HR 4, 8, 9, 11, 16, 17, 20, 27, 34, 35, 44, 56
Voting modification; p. 463 - HB 1Y

CAVE, STAN
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

CHILDREN AND MINORS
Immunizations required - HB 7

CIVIL ACTIONS
Medical malpractice arbitration, option - HB 7

CIVIL PROCEDURE
Kentucky rules apply to medical malpractice arbitration - HB 7

CIVIL RIGHTS
Long term care facility, admission - HB 6

CLARK, LARRY
HR 1, 2, 3, 4, 8, 9, 11, 16, 17, 20, 34, 35, 40, 44, 45, 56

CLARK, PAUL
HR 4, 8, 9, 11, 16, 20, 34, 35, 45

CLARKE, JOE
HR 1, 2, 3, 4, 8, 9, 11, 16, 17, 20, 34, 35, 40, 44, 45, 56

COLEMAN, JACK
HR 4, 8, 9, 11, 16, 20, 34, 35, 45, 56

COLLINS, HUBERT
HR 4, 8, 9, 11, 16, 17, 20, 31, 44, 56

COMMENDATIONS AND RECOGNITIONS
Allen, Mike - HR 51
Atcher, Andrea Kaye - HR 50
Baker, Father Gerald - HR 38
Blackburn, Leslie J. III - HR 52
Bruner, Thomas - HR 12
Campbell
  Caudill, Rhoades, Howard, & Vermillion - HR 36
  Robert D. - HR 21

COMMENDATIONS AND RECOGNITIONS (cont'd)

Capitol Tour Guides - HR 45
Caudill, Kenneth - HR 22
Cheerleaders, Morehead State University - HR 7
Clapp, Lloyd - HR 44
Dotson, Kenny - HR 55
Graham, Martha Thomas and Garnett Davis - HR 37
Hatzell, Jean - HR 43
Howard, Melvin - HR 25
Jackson, Pam - HR 53
Long, Marshall Tyler - HR 16
Marion County High School - HR 20
Medley, Charles "Bill" - HR 42
Miller, MacKenzie T. "Mack" - HR 39
Millersburg Military Institute - HR 8
Nicholas County High School - HR 41
Northup, Katherine "Katie" - HR 56
Patton, Shauna Lynn - HR 31
Roades, Gerald D. - HR 23
Robertson, Wayland - HR 30
Ross, Judge Henry "Monk" - HR 47
Rowlett, Dr. John D. - HR 54
St. Claire Medical Center - HR 28
St. Xavier
  Swim Team - HR 34
  Tennis Team - HR 35
Scott, Marlene C. - HR 49
Smith, Callie Elizabeth - HR 13
Vermillion, Frank F. - HR 26
Watts, Jason Todd - HR 14
Wesby, Roger and Barbara - HR 19
Woolfolk, James - HR 46
Yates, Fairleigh - HR 48

CONFLICT OF INTEREST

Arbitration panel candidates to disclose - HB 7

CONSUMER AFFAIRS

Health care providers to disclose maximum charges - HB 7

CORRECTIONS IMPACT

CI - HB 4
Fines for health data reporting violations - HB 7

COURTS, CIRCUIT

Medical negligence mediation - HB 4

CRENSHAW, JESSE

HR 4, 8, 9, 16, 17, 20, 34, 35, 44, 45, 56; HB 4

CURD, FREED

HR 4, 8, 9, 11, 16, 20, 34, 35, 44, 56

CYRUS, RON

HR 4, 8, 9, 11, 16, 34, 35, 45, 56; HB 4

DAMRON, ROBERT

HR 4, 8, 9, 11, 12, 16, 17, 44, 45, 56

DESKINS, HERBIE

HR 4, 9, 11, 16, 17

DEWEESE, BOB

HR 4, 8, 9, 11, 16, 17, 56; HB 7

DONNERMEYER, BILL

HR 8, 9, 11, 16, 17, 27, 34, 35, 44, 56; HB 4

EFFECTIVE DATES, DELAYED

Consolidated health licensure board, repealed sections of - HB 5
Health care provider, rate setting - HB 4
Tobacco floor stock tax - HB 7

EFFECTIVE DATES, EMERGENCY

Omnibus health care reform - HB 4
Provider tax, gross revenues of health care providers - HB 8

EFFECTIVE DATES, RETROACTIVE

Health care provider tax - HB 4
Provider tax, gross revenues of health care providers - HB 8

EMERGENCY MEDICAL SERVICES

Consolidated health licensure board, creation of - HB 5

FARLEY, DON

HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

FARROW, MARK

HR 4, 8, 16, 34, 35, 44

FEDERAL LAWS AND REGULATIONS

Federal Mandate Relief Act, support of - HR 40
Medicaid waiver request - HB 7

FEES

Health data collection and dissemination - HB 7

FISCAL NOTE

FN - HB 2, 3

FORD, DANNY

HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

FOX, RICK

HR 4, 8, 9, 11, 16, 17, 20, 44, 56
Appointed, Committee to Wait upon the Governor - p. 370
Voting modifications; p. 466 - HB 1Y

FRENCH, KENNY

HR 4, 8, 9, 11, 16, 20, 27, 34, 35, 44, 45, 56; HB 9

GEDLING, DONNIE

HR 8, 9, 11, 16, 44, 45, 56

GEE, WALTER

HR 4, 8, 9, 11, 16, 17, 34, 35, 44, 45, 56

GENERAL ASSEMBLY
- Adjournment, sine die - HCR 32; SCR 40
- Appoint committee to wait upon the Governor - HR 3
- Appropriation to LRC for the Second 1993 Extraordinary Session - HB 2
- Federal Mandate Relief Act, support of - HR 40
- Health care reform legislation, study of - HR 33
- House Rules, adoption of- HR 1
- House, immediate compliance with ethics code - HR 4
- Invitation to pastors - HR 2
- Joint Session, address by Governor Jones - p. 371
- Proclamation convening 2nd Extraordinary Session of 1993 - p. 355-356
- Resignations, Representatives Blandford and T. Smith - p. 355

GEVEDEN, CHARLES
- HR 4, 8, 16, 20, 24, 45, 56; HB 4

GOVERNOR
- Proclamation convening 2nd Extraordinary Session of 1993 - p. 355-356
- Address to Joint Session of General Assembly - p. 371

GRAHAM, DREW
- HR 4, 8, 9, 11, 16, 20, 21, 22, 23, 25, 26, 34, 35, 36, 45, 56

GRAY, LEONARD
- HR 4, 8, 9, 11, 16, 20, 34, 35, 44, 45, 56; HB 10

HANCOCK, HANK
- HR 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 55, 56

HARPER, JOHN
- HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 43, 44, 45, 56

HARPER, KEN
- HR 4, 9, 11, 16, 17, 27, 34, 35

HATCHER, PORTER
- HR 4, 8, 9, 11, 16, 17, 20, 44, 45, 56

HEALTH AND MEDICAL SERVICE
- Health care authority, creation of - HB 5
- Health care reform legislation, study of - HR 33
- Kentucky Health Care - HB 4
- Long term care facility, admission - HB 6
- Medical Assistance Program, physician reimbursement rates - HB 3
- Medicare voucher program, health data collection - HB 7
- Provider tax, gross revenues of health care providers - HB 1, 8
- Universal Health Insurance - HB 10

HELERINGER, BOB
- HR 4, 9, 11, 16, 17, 44, 45, 56; HB 7

HOSPITALS AND NURSING HOMES
- Long term care facility, admission - HB 6
- Medicare voucher program, health data collection - HB 7
- Rate setting for services, establishment of - HB 5
- Universal Health Insurance - HB 10

HOURIGAN, DAVE
- HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44

INSURANCE
- Health insurance pool - HB 5
- Religious publication, exempt - HB 9
- Standard health insurance plan - HB 7

INSURANCE, HEALTH
- Reforms - HB 4
- Standard
  - major medical benefit - HB 7
  - plans - HB 5
- Universal Coverage Plan - HB 10

INSURANCE, MOTOR VEHICLE
- Mandatory seat belt use - HB 7

JENSEN, TOM
- HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56
- Appointed, Committee to wait upon the Governor - p. 370

JOHNSON, LOUIS
- HR 4, 8, 9, 11, 16, 17, 20, 44, 45, 56

KEITH, STEPHEN
- HR 4, 8, 9, 11, 16, 44, 45, 56

KERR, TOM
- HR 4, 8, 9, 11, 16, 17, 20, 27, 34, 35, 44, 56

LEMASTER, JIM
- HR 8, 9, 11, 16, 20, 41, 44

LEAR, BILL
- HR 9, 11, 16, 20, 34, 35, 45, 56

LEE, JIMMIE
- HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 49, 50, 51, 56

LEGISLATIVE CITATIONS
- Carey, Daniel - LC 4, p. 421
- Cassity, Judge William Neal - LC 2, p. 402
- Hall, Kay - LC 3, p. 421
- Miller, Mackenzie - LC 1, p. 398

LEWIS, RICHARD
- HR 4, 8, 9, 11, 16, 20, 34, 35, 44, 56

LICENSING
- Consolidated health licensure board, creation of - HB 5

LILE, BILL
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

LINDSAY, GROSS
HR 4, 9, 11, 16, 17, 20, 32, 33, 45, 56

LITTLE, CLAYTON
HR 8, 16, 17, 44, 45

LOCAL MANDATE
Health Care Authority, creation of - HB 5
Omnibus Health Care Reform - HB 4

LONG, MARSHALL
HR 4, 9, 11, 16, 34, 35, 44, 56; HB 1, 2, 3, 5
Voting modification; p. 463 - HB 1Y

LYNE, JUNE
HR 4, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

MAGGARD, JIM
HR 4, 8, 9, 11, 14, 16, 17, 20, 34, 35, 44, 56; HB 6

MASON, PAUL
HR 4, 8, 9, 11, 15, 16, 17, 20, 34, 35, 56; HB 4, 6, 8

MCELROY, SAM
HR 16

MEMORIALS
Caudill, James M. — HR 15
Cawood, Sophia Gilbert - HR 11
Childress, William Hobbs - HR 9
James, D. Ival - HR 10
Reilly, Alfred J. - HR 6
Shields, Police Chief Robert - HR 27
Simpson, Fred, Jr. - HR 17
Teague, William - HR 29
Thornberry, William W. - HR 5
Wilson, Tommy - HR 24

MENTAL HEALTH
Mentally ill, confinement in jail - HB 4

MOBERLY, HARRY
HR 4, 8, 9, 10, 11, 16, 17, 20, 34, 35, 44, 45, 54, 56

MORRIS, RAMSEY
HR 4, 8, 9, 11, 16, 17, 34, 35, 38, 44, 56

MULLINIX, RAY
HR 4, 11, 16, 17, 44, 45, 56

NAPIER, LONNIE
HR 4, 8, 9, 10, 11, 16, 17, 20, 34, 35, 44, 45, 54, 56
Voting modification; p. 466 - HB 1Y to N

NELSON, CHARLES "PREACHER"
HR 4, 8, 16, 17, 20, 34, 35, 44, 45

NESLER, FRED
HR 4, 8, 9, 11, 16, 20, 34, 35, 44, 56
Appointed, Committee to wait upon the Governor - p. 370

NOLAND, CLARENCE
HR 4, 8, 9, 11, 16, 17, 20, 44, 45, 56

NORTHUP, ANNE
HR 4, 8, 9, 11, 16, 17, 34, 35, 44, 56; HB 7

NUNN, STEPHEN
HR 4, 8, 9, 11, 16, 18, 34, 35, 44, 45, 56; HB 4

NURSES
Consolidated health licensure board, creation of - HB 5
Prescriptive authority HB 4

OCCUPATIONS AND PROFESSIONS
Consolidated health licensure board, creation of - HB 5
Physician reimbursement rates under medical assistance program - HB 3
Provider tax, gross revenues of health care providers - HB 1, 8

OPTOMETRISTS
Consolidated health licensure board, creation of - HB 5

PALUMBO, RUTH ANN
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 37, 44, 45, 56
Appointed, Committee to wait upon the Governor - p. 370

PEARMAN, VIRGIL
HR 4, 8, 9, 11, 16, 17, 20, 44, 56

PHARMACISTS
Rate setting for services, establishment of - HB 5

PHYSICIANS AND PRACTITIONERS
Medical Assistance Program, physician reimbursement rates - HB 3
Physician assistants, prescriptive authority - HB 4
Rate setting for services, establishment of - HB 5

PUBLIC ETHICS
House of Representatives, immediate complaince with ethics code - HR 4

RAPIER, KENNY
HR 1, 2, 3, 4, 8, 9, 11, 16, 17, 20, 34, 35, 40, 44, 45, 56

RASCHE, FRANK
HR 4, 8, 16, 20, 45, 56

REINHARDT, JON DAVID
HR 4, 16, 20, 27, 45, 56

RELIGION
Publication, exempt from insurance code - HB 9

RICHARDS, JODY
HR 1, 2, 3, 4, 8, 9, 11, 16, 17, 34, 35, 40, 44, 56

RIDLEY, DORSEY
HR 16, 17, 30, 45

RIGGS, STEVE
HR 4, 8, 9, 11, 16, 17, 20, 44, 45, 56

RINER, TOM
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

SANDERS, RICHIE
HR 4, 8, 9, 11, 16, 17, 34, 35, 44, 45, 56

SCORSONE, ERNESTO
HR 4, 8, 9, 11, 16, 19, 20, 34, 35, 44, 45, 56; HB 5, 6

SHACKLETTE, DONNA
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

SHEEHAN, MARTIN
HR 16, 27, 56

SMITH, BILLY RAY
HR 4, 8, 16, 17, 20

SMITH, REX
HR 4, 16, 20

STACY, JOHN WILL
HR 7, 8, 9, 11, 16, 20, 28, 34, 35, 44, 45, 56

STATE EMPLOYEES
Mandated HMO participation - HB 5

STENGEL, DAVE
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

STUDIES DIRECTED
Health care reform legislation - HR 33

STUMBO, GREG
HR 1, 2, 3, 4, 8, 9, 11, 13, 16, 20, 34, 35, 40, 44, 45, 56; HB 4

TAXATION
Health care providers - HB 4
Provider tax, gross revenues of health care providers - HB 1, 8

TODD, TOMMY
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

TRANSPORTATION
Seat belt use, madate - HB 4

TRAPP, LESLIE
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

TURNER, RICHARD
HR 4, 8, 9, 11, 16, 20, 44, 45, 56

UNITED STATES
Federal Mandate Relief Act, support of - HR 40

WALTON, CHARLIE
HR 4, 8, 9, 11, 16, 17, 20, 27, 34, 35, 44, 56

WARD, MIKE
HR 4, 5, 6, 8, 9, 11, 16, 20, 34, 35, 44, 45, 56; HB 4

WAYNE, JIM
HR 4, 8, 9, 11, 16, 20, 34, 35, 44, 45, 56

WITHDRAWN LEGISLATION
Withdrawn - HR 18

WORKERS' COMPENSATION
Managed health care - HB 4
Mandated HMO participation - HB 5

WORTHINGTON, PETE
HR 4, 9, 11, 16, 20, 34, 35, 44, 45, 56; HB 4

YATES, JIM
HR 4, 8, 9, 11, 16, 20, 34, 35, 44, 56; HB 4

ZIMMERMAN, JAMES
HR 4, 8, 9, 11, 16, 17, 20, 34, 35, 44, 45, 56

JOURNAL

of the

HOUSE OF REPRESENTATIVES

of the

General Assembly

of the

Commonwealth of Kentucky

Third Extraordinary Session of 1993

Held in the State Capitol in the City of Frankfort,
at Frankfort, in the Year of Our Lord 1993,
and in the Two Hundredth and First
Year of the Commonwealth

Begun on the Sixth Day of August, 1993, and Adjourned
Sine Die on the Sixth Day of August, 1993.

Paid for from state funds.

FOREWORD

The Kentucky Constitution requires each house of the General Assembly to keep a journal as a public accounting of daily legislative activity. It is the official record of action by the General Assembly.

The *Kentucky Revised Statutes* require the Legislative Research Commission to compare, edit, correct, and publish the journals of each chamber. This is the *House Journal* for the Third Extraordinary Session of 1993.

The complete text of a bill appears when it is reported out of committee and receives a first reading. The roll call vote on passage of a bill appears when it receives a third reading. A roll call vote on concurrence will appear if a bill is amended in the chamber opposite its origin. Joint resolutions are treated as bills, and the texts of simple and concurrent resolutions appear on first reading or adoption. An appendix contains a table of actions on resolutions, as well as roll call votes.

Mrs. Jean Wallace and Mrs. Wilda Bond prepared the *House Journal* for the Third Extraordinary Session of 1993. The edited copy, subject index, and appendix in this volume reflect the cooperative efforts of the LRC.

VIC HELLARD, JR.
Director

The Capitol
Frankfort, Kentucky
1993

JOURNAL

# of the

HOUSE OF REPRESENTATIVES

# of the

GENERAL ASSEMBLY

# of the

COMMONWEALTH OF KENTUCKY

THIRD EXTRAORDINARY SESSION OF 1993

FRIDAY, AUGUST 6, 1993

FIRST LEGISLATIVE DAY

At an Extraordinary Session of the General Assembly of the Commonwealth of Kentucky, held at the Capitol City of Frankfort, and begun on August 6, 1993, the two hundredth and second year of the Commonwealth, in compliance with a Proclamation issued by the Governor of the Commonwealth of Kentucky, the Honorable Brereton C. Jones, the House of Representatives was called to order by the Honorable Joe Clarke, Speaker of the House of Representatives.

Prayer by Dr. John Callaway, First Presbyterian Church, Frankfort.

The Speaker led the members in the Pledge of Allegiance to the Flag.

The Speaker announced that the Journal would reflect that the membership of the House of Representatives remains the same as the Second Extraordinary Session with the exception of Representative Mark Treesh, 14th District, and Representative Elbert Hampton, 86th District.

Certificates of Election were filed on June 22, 1993 for Representatives Treesh and Hampton for fulfillment of unexpired terms for the 14th and 86th Districts respectively.

State Board of Elections
Frankfort, Ky., June 22, 1993

The undersigned, a Board for examining the returns of an election held on Tuesday, the 15th day of June, 1993, for State Representative, Eighty-sixth Representative District (Unexpired Term) of the State of Kentucky, do certify that Elbert R. Hampton received the highest number of votes given for that office, as certified to the Secretary of State, and is, therefore, duly and regularly elected for the term prescribed by the Constitution.

s/Bob Babbage, Chairman, State Board of Elections
s/James A. Rankin, Member
s/John E. Chowning, Member
s/Jane G. Bruce, Member
s/Charles W. Buchanan, Member
s/John Caudill, Member
s/Hade Durbin, Member

Attest: George Russell, Executive Director, State Board of Elections

I, Bob Babbage, Secretary of State of the Commonwealth of Kentucky, do hereby certify that the attached is a true and exact copy of the Certificate of Election issued this date to Elbert R. Hampton as the duly elected member of the House of the General Assembly, 86th State Representative District, of the Commonwealth of Kentucky.

Given under my hand and seal of office this 22nd day of June, 1993.

s/Bob Babbage, Secretary of State
Commonwealth of Kentucky

Affidavit of Person Administering Oath
of Office to a Member of the General Assembly

I, Roderick Messer, do solemnly swear (of affirm):

1. That I am authorized pursuant to KRS 62.020 to administer oaths by virtue of being a Circuit Judge.

2. That on this date June 29, 1993 appeared before me and displayed (his) (her) certificate of election as a member of the Legislature of the General Assembly of the Commonwealth of Kentucky from the 86th district.

3. That at 11 a.m. this date June 29, 1993, Elbert Read Hampton took the oath of office prescribed by Section 228 of the Constitution of the Commonwealth of Kentucky, as administered by me.

Further the affiant sayeth naught.

s/Roderick Messer, Circuit Judge - 27th Judicial Circuit, 1821 N. Mill, London, Ky. 40741, June 29, 1993

State Board of Elections
Frankfort, Ky., June 22, 1993

The undersigned, a Board for examining the returns of an election held on Tuesday, the 15th day of June, 1993, for State Representative, Fourteenth Representative District (Unexpired Term) of the State of Kentucky, do certify that Mark A. Treesh received the highest number of votes given for that office, as certified to the Secretary of State, and is, therefore, duly and regularly elected for the term prescribed by the Constitution.

s/Bob Babbage, Chairman, State Board of Elections
s/James A. Rankin, Member
s/John E. Chowning, Member
s/Jane G. Bruce, Member
s/Charles W. Buchanan, Member
s/John Caudill, Member
s/Hade Durbin, Member

Attest: George Russell, Executive Director, State Board of Elections

I, Bob Babbage, Secretary of State of the Commonwealth of Kentucky, do hereby certify that the attached is a true and exact copy of the Certificate of Election issued this date to Mark A. Treesh as the duly elected member of the House of the General Assembly, 14th State Representative District, of the Commonwealth of Kentucky.

Given under my hand and seal of office this 22nd day of June, 1993.

s/Bob Babbage, Secretary of State
Commonwealth of Kentucky

Affidavit of Person Administering Oath
of Office to a Member of the General Assembly

I, Gene Lanham, do solemnly swear (of affirm):

1. That I am authorized pursuant to KRS 62.020 to administer oaths by virtue of being a District Judge.

2. That on this date July 11, 1993 appeared before me and displayed (his) (her) certificate of election as a member of the House of Representatives of the General Assembly of the Commonwealth of Kentucky from the 14th district.

3. That at 2:30 p.m. this date June 29, 1993, Mark Treesh took the oath of office prescribed by Section 228 of the Constitution of the Commonwealth of Kentucky, as administered by me.

Further the affiant sayeth naught.

s/Gene Lanham, Daviess District Judge, 100 E. 2nd Street, Owensboro, Ky., July 11, 1993

The new members were duly sworn.

The roll was called. All members present except Representatives Bowling, Lear, LeMaster, B. R. Smith, R. Smith, Stengel and Stumbo.

Representative Maggard moved that the absent members be granted leave of absence in accordance with the rules of the House. Agreed.

The Clerk read the following Proclamation:

To All To Whom These Presents Shall Come:

Pursuant to the power vested in me by Section 80 of the Constitution of the Commonwealth of Kentucky, I, Brereton C. Jones, Governor of the Commonwealth of Kentucky, do issue this, my proclamation convening the Kentucky General Assembly in Extraordinary Session at the Seat of Government, Frankfort, Kentucky, at 10:00 a.m. (EDST), Friday, August 6, 1993, for the sole purpose of considering the following subjects:

(1) The confirmation of the members of the Kentucky Health Care Data Commission.

(2) The confirmation of the members of the Board of Directors of the Kentucky Lottery Corporation.

DONE AT THE CAPITOL, in the City of Frankfort,
this the 30th day of July, in the year of our
Lord One Thousand Nine Hundred and Ninety-three
and in the year of the Commonwealth the Two
Hundred and Second.

s/Brereton C. Jones, Governor

s/Bob Babbage, Secretary of State

Introduction of Bills and Resolutions

HR 1, by Representatives Clarke, Rapier, Richards and L. Clark: A RESOLUTION adopting Rules to govern the 1993 Third Extraordinary Session of the House of Representatives.

HCR 2, by Representatives Clarke, Rapier, Richards and L. Clark: A CONCURRENT RESOLUTION to adjourn the 1993 Third Extraordinary Session of the General Assembly sine die.

HR 3, by Representative Geveden: A RESOLUTION urging President Bill Clinton and the U. S. Department of Agriculture to designate as disaster areas that portion of five far western Kentucky counties which have been affected by the Great Flood of 1993 and to make financial assistance available to them.

HR 4, by Representative Ford: A RESOLUTION in loving memory of the late Donald Walker and belatedly pronouncing Donald Walker an adopted son of Kentucky

Representative Rapier moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Rapier moved the adoption of the following **HR 1**:

HR 1, A RESOLUTION adopting Rules to govern the 1993 Third Extraordinary Session of the House of Representatives.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Rules adopted to govern the 1993 First Extraordinary Session of the House of Representatives be adopted as the Rules governing the 1993 Third Extraordinary Session of the House of Representatives.

HR 1 was adopted by voice vote.

Motions, Petitions and Communications

Representative Rapier moved that the House waive the $50.00 stationery allowance which is usually paid pursuant to KRS 6.220 for the Third Extraordinary Special Session. Agreed.

Representative Geveden moved the adoption of the following **HR 3**:

HR 3, A RESOLUTION urging President Bill Clinton and the U.S. Department of Agriculture to designate as disaster areas that portion of five far western Kentucky counties which have been affected by the Great Flood of 1993 and to make financial assistance available to them.

WHEREAS, the Governor of the Commonwealth of Kentucky has requested President Clinton and the U.S. Department of Agriculture (USDA) to designate as disaster areas portions of five far western Kentucky counties because of the Great Flood of 1993 of the Mississippi River; and

WHEREAS, counties in other states affected by this flooding have been declared disaster areas by the USDA and these Kentucky counties are similarly affected; and

WHEREAS, about 36,000 acres are flooded in the following Kentucky counties; Ballard - 8,000 acres; Carlise - 4,000 acres; Fulton - 17,000 acres; Hickman - 4,700 acres; and McCracken - 2,500 acres; and

WHEREAS, this flooding will result in the loss of millions of dollars to Kentucky farmers; and

WHEREAS, the farmers affected by the flood in these five counties need assistance to recover from their economic losses;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That President Clinton and the USDA are urged to designate as disaster areas that portion of the Kentucky counties of Ballard, Carlisle, Fulton, Hickman, and McCracken affected by the Great Flood of 1993 and make financial assistance available to them.

Section 2. That copies of this resolution be sent to President Clinton, Secretary of the USDA, Director of the Kentucky ASCS, Kentucky Congressional Delegation, Governor of the Commonwealth, and Commissioner of the Kentucky Department of Agriculture.

HR 3 was adopted by voice vote.

Representative Rapier moved that the rules be suspended to act upon a Concurrent Resolution. Agreed.

Representative Rapier moved the adoption of the following **HCR 2**:

HCR 2, A CONCURRENT RESOLUTION to adjourn the 1993 Third Extraordinary Session of the General Assembly sine die.

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That when the Senate and the House of Representatives adjourn on Friday, August 6, 1993, they do adjourn sine die.

HCR 2 was adopted by voice vote.

Representative Rapier moved that when the House does adjourn, it does so by voice vote until January 4, 1994 unless called into special session. Agreed.

Representative Barrows moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Barrows moved the adoption of the following Legislative Citation No. 1. Agreed.

The Kentucky House of Representatives does hereby applaud and acknowledge the meritorious service that Melvin Douglas LeCompte has provided this august body during his tenure of employment within these hallowed halls. It further recognizes his devotion to duty as the 1992 Designated Driver of the Year, his fervid fanaticism for second rate college basketball prowesses, his years of matriculation at numerous centers of higher education and his aversion to physical labor.

The Kentucky House of Representatives further commends Melvin Douglas LeCompte on his decision to affix his gaze upon matters academic and his emphasis upon topic both scatological and seriocomic. We are honored by his dutiful service and wish him well in all future endeavors.

Representative Ford moved that the rules be suspended to act upon a Resolution. Agreed.

Representative Ford moved the adoption of the following **HR 4**:

HR 4, A RESOLUTION in loving memory of the late Donald Walker and belatedly pronouncing Donald Walker an adopted son of Kentucky.

WHEREAS, Donald Walker, retired detective from Detroit, spread joy and cheer to Rockcastle County upon moving there; and

WHEREAS, Donald Walker and his wife, Jean, opened Jean's Restaurant, which soon became the heart of the community; and

WHEREAS, Donald Walker strived to learn all he could about Kentucky and Rockcastle County; and

WHEREAS, Donald Walker became a local historian and, with his vast knowledge of historical places as well as leaders of our state and Rockcastle County, he consistently shared his love for Kentucky with the many tourists that enjoyed the congenial atmosphere of Jean's Restaurant; and

WHEREAS, this phenomenal gentleman dedicated himself to working with civic and community projects; and

WHEREAS, Donald Walker was genuinely devoted to Kentucky and will be remembered as an adopted son of Kentucky with a Yankee accent;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the House of Representatives expresses its profound grief over the loss of Donald Walker, a man who brought to Rockcastle County the enthusiasm and optimism he displayed throughout his life.

Section 2. That this honorable body does express its absolute sense of bereavement and loss, upon the death of Donald Walker and proffers its condolences to his lovely wife, Jean, his entire family, and loved ones.

Section 3. That the House of Representatives directs the clerk to transmit ten copies of this resolution to Mrs. Jean Walker, Jean's Restaurant, Mt. Vernon, Kentucky 40456.

HR 4 was adopted by voice vote.

Representative Stacy moved that the rules be suspended to act upon a Legislative Citation. Agreed.

Representative Stacy moved the adoption of the following Legislative Citation No. 2. Agreed.

The House of Representatives of the Commonwealth of Kentucky hereby honors Tonya Dee Virgin, Miss Kentucky 1993 and recognized by that appellation for her exceptional grace, beauty, talent and charm, welcoming her to her new role as official hostess of the Commonwealth of Kentucky, and wishing her joy and success, both during her reign and in the years ahead.

HR 5, by Representatives Curd and Morris: A RESOLUTION adjourning the House of Representatives in honor of Zelner Cassey of Trigg County.

Representative Morris moved the adoption of the following **HR 5**:

HR 5, A RESOLUTION adjourning the House of Representatives in honor of Zelner Cassey of Trigg County.

WHEREAS, Zelner Cassey has been active in religious, civic, political, and social organizations in Trigg County for over thirty years; and

WHEREAS, Zelner Cassey is a devoted member, moderator, and active deacon of the Cadiz Baptist Church; and

WHEREAS, Zelner Cassey has been invaluable to the civic community of Trigg County having served in every capacity of the Pennyrile Area Community Service (PACS); he is Finance Chairman, member of the Personnel Committee, oldest member of the board, and past president of the Board of the Pennyrile Area Development District; he was instrumental in the creation of the Trigg County Tourism Commission, Trigg County Industrial Authority, and the purchase of property for the Trigg County Industrial Parks #1 and #2; he served on the District Board of Health; he is a member of the Inner-agency Council; and was a member of the Governor's Better Roads Council; and

WHEREAS, Zelner Cassey has been active in Trigg County politics, serving as County Judge/Executive for 10 years, County Sheriff for 4 years, Jailer for 18 days which required him to spend the night at the jail after working regular office hours as County Judge/Executive; and he was County Chairman for Governor Jones, as well as former Governors Breathitt and Combs; and

WHEREAS, Zelner Cassey has taken time from his schedule to be an active member of the Chamber of Commerce, Masons, Shriners, Jaycees, Trigg County Self-Help Group; and

WHEREAS, Zelner Cassey was the first President of the Trigg County Boosters Club and is President of the Trigg County Lions Club; and

WHEREAS, it is only fitting that this outstanding citizen and exemplary representative of the Commonwealth be honored by his fellow Kentuckians;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the members of the House, both individually and collectively, do hereby recognize, praise, and honor Zelner Cassey of Trigg County for his remarkable contributions to the citizens of the Commonwealth.

Section 2. That when the House of Representatives does adjourn this day, Friday, August 6, 1993, it does so in honor of Zelner Cassey of Trigg County.

Section 3. That the Clerk of the House is directed to transmit a copy of this resolution to Mr. Zelner Cassey.

HR 5 was adopted by voice vote.

Representative Rapier moved that no other business be conducted on this day except adjournment.

Representative Rapier moved that when the House does adjourn, it does so by voice vote. Agreed.

Recess

Representative Rapier moved that the House recess until 12:45 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Recess

Representative Rapier moved that the House recess until 2:30 p.m. Agreed.

At the appointed hour, the Speaker resumed the Chair and called the House to order.

Representative Rapier moved that the reading of the Journal of August 6, 1993 be dispensed with and the same approved. Agreed.

Representative Rapier moved that the Journal of the House of Representatives for the Third Extraordinary Session of 1993 be approved. Agreed.

Announcements

The Clerk announced the following meetings:

Central Kentucky Caucus, upon recess, Room 127.

Western Kentucky Caucus, upon recess, Room 125.

Northern Kentucky Caucus, upon recess, Conference Room A.

Mountain Caucus, upon recess, majority floor leaders office.

The meeting of the Committee on Labor and Industry planned for August 10, 1993 was cancelled. The Subcommittees will meet as planned.

Adjournment

Representative Rapier moved that the House adjourn sine die until January 4, 1994 unless called into extraordinary session by the Governor.

The motion that the House adjourn sine die until January 4, 1994 unless called into extraordinary session by the Governor was adopted by voice vote.

s/Joe Clarke

APPROVED: Joe Clarke, Speaker
House of Representatives

s/Evelyn Marston

ATTEST: Evelyn Marston, Chief Clerk
House of Representatives

KENTUCKY GENERAL ASSEMBLY 1993 THIRD EXTRAORDINARY SESSION

HOUSE

Officers

Speaker	Joe Clarke
Speaker Pro Tem	Larry Clark
Chief Clerk	Evelyn Marston
Assistant Clerk	Julie Wheat
Enrolling Clerk	Margaret Watts
Sergeant At Arms	Emmett A. Slattery
Chief Doorkeeper	William "Bunny" Davis
Cloakroom Keeper	Lawrence Parrish
Cloakroom Keeper	Albert Robinson
Janitor	George Fritz

(Legislators' names are in alphabetical order with party affiliation designated by initial, home town, counties in district, and number of the legislative district.)

ACKERSON, JON W. (R-Jeffersontown) Jefferson, 47
ADAMS, ROYCE W. (D-Dry Ridge) Carroll, Grant, Harrison, Owen, Pendleton, 61
ADKINS, ROCKY (D-Sandy Hook) Boyd, Elliott, Lawrence, 99
ALLEN, WILLARD C. "WOODY" (R-Morgantown) Butler, Grayson, Ohio, 17
ALTMAN, RAY H. (R-Campbellsville) Green, Metcalfe, Taylor, 51
ARNOLD, ADRIAN (D-Mount Sterling) Bath, Menifee, Montgomery, Powell, 74
BALLARD, EDDIE (D-Madisonville) Hopkins, 10
BARROWS, JOSEPH HOWARD (D-Versailles) Franklin, Jessamine, Woodford, 56
BENTLEY, RUSSELL O. (D-Topmost) Floyd, Knott, Letcher, Perry, 92
BOWLING, MICHAEL DEAN (D-Middlesboro) Bell, Harlan, Leslie, 87
BROWN, MARK S. (D-Brandenburg) Bullitt, Hardin, Meade, 27
BRUCE, JAMES E. (D-Hopkinsville) Christian, Hopkins, 9
BRYANT, JO ELIZABETH (R-Williamsburg) McCreary, Whitley, 82
BUIS, JEFFREY (R-Liberty) Casey, Russell, Wayne, 52
BURCH, THOMAS J. (D-Louisville) Jefferson, 30
BUTLER, DENVER (D-Louisville) Jefferson, 38
CALLAHAN, JAMES P. (D-Southgate) Campbell, Kenton, 67
CAVE, STAN (R-Lexington) Fayette, 45
CLARK, LARRY (D-Louisville) Jefferson, 46
CLARK, PAUL (D-Louisville) Jefferson, 37
CLARKE, P. JOSEPH (D-Danville) Boyle, Lincoln, 54
COLEMAN, JACK L., JR. (D-Burgin) Anderson, Mercer, Spencer, 55
COLLINS, HUBERT (D-Wittensville) Johnson, Magoffin, Martin, 97
CRENSHAW, JESSE (D-Lexington) Fayette, 77
CURD, FREED (D-Murray) Calloway, Trigg, 5
CYRUS, RONALD R. (D-Flatwoods) Greenup, 98
DAMRON, ROBERT R. (D-Nicholasville) Garrard, Jessamine, Lincoln, 39
DESKINS, HERBERT "HERBIE," JR. (D-Pikeville) Martin, Pike, 94
DEWEESE, BOB (R-Louisville) Jefferson, 48
DONNERMEYER, WILLIAM I., SR. (D-Bellevue) Bracken, Campbell, Pendleton, 68
FARLEY, DONALD B. (R-Ashland) Boyd, 100
FARROW, MARK (D-Stamping Ground) Harrison, Scott, 62
FORD, DANNY R. (R-Mt. Vernon) McCreary, Pulaski, Rockcastle, Wayne, 80

FOX, RICK (D-Harlan) Harlan, 88
FRENCH, KENNY R. (D-Warsaw) Boone, Gallatin, 60
GEDLING, DONNIE (D-Hardinsburg) Breckinridge, Hancock, Hardin, Meade, 18
GEE, WALTER (R-Grayson) Carter, Lewis, 96
GEVEDEN, CHARLES R. (D-Wickliffe) Ballard, Carlisle, Fulton, Hickman, McCracken, 1
GRAHAM, DREW (D-Winchester) Clark, Powell, 73
GRAY, LEONARD (D-Louisville) Jefferson, 42
HAMPTON, ELBERT R. (R-Artemus) Knox, Laurel, 86
HANCOCK, C. M. "HANK" (D-Frankfort) Franklin, 57
HARPER, JOHN (R-Shepherdsville) Bullitt, 49
HARPER, KENNETH F. (R-Crestview Hills) Kenton, 63
HATCHER, E. PORTER, JR. (D-Louisville) Jefferson, 43
HELERINGER, BOB (R-Louisville) Jefferson, 33
HOURIGAN, DAVE (D-Gravel Switch) Hart, Larue, Marion, Washington, 24
JENSEN, TOM (R-London) Laurel, 85
JOHNSON, E. LOUIS (D-Owensboro) Daviess, 13
KEITH, STEPHEN C. (R-Manchester) Clay, Leslie, Perry, 90
KERR, THOMAS R. (D-Taylor Mill) Kenton, 64
LEAR, WILLIAM M., JR. (D-Lexington) Fayette, 79
LEE, JIMMY (D-Elizabethtown) Hardin, 25
LeMASTER, JIM (D-Paris) Bourbon, Fayette, Nicholas, 72
LEWIS, RICHARD H. (D-Benton) Caldwell, Lyon, Marshall, 6
LILE, BILL (R-Valley Station) Jefferson, 28
LINDSEY, GROSS C. (D-Henderson) Henderson, 11
LITTLE, N. CLAYTON (D-Virgie) Pike, 93
LONG, MARSHALL (D-Shelbyville) Henry, Shelby, Trimble, 58
LYNE, JUNE D. (D-Olmstead) Logan, Todd, 16
MAGGARD, JIM (D-Jackson) Breathitt, Magoffin, Perry, Wolfe, 89
MASON, PAUL (D-Whitesburg) Letcher, Perry, Pike 91
McELROY, SAM M. (D-Waverly) Daviess, Henderson, Union, 7
MOBERLY, HARRY, JR. (D-Richmond) Madison, 81
MORRIS, H. RAMSEY, JR. (D-Hopkinsville) Christian, Trigg, 8
MULLINIX, RAY (R-Burkesville) Adair, Clinton, Cumberland, Wayne, 53
NAPIER, LONNIE (R-Lancaster) Garrard, Jackson, Lincoln, Madison, Pulaski, 36
NELSON, CHARLES "PREACHER" (D-Bremen) McLean, Muhlenberg, 15
NESLER, FRED (D-Mayfield) Graves, McCracken, 2
NOLAND, CLARENCE D., Jr. (R-Irvine) Estill, Jackson, Lee, Owsley, 84
NORTHUP, ANNE MEAGHER (R-Louisville) Jefferson, 32
NUNN, STEPHEN R. (R-Glasgow) Barren, Metcalfe, 23
PALUMBO, RUTH ANN (D-Lexington) Fayette, 76
PEARMAN, VIRGIL (D-Radcliff) Bullitt, Hardin, Larue, 26
RAPIER, KENNY (D-Bardstown) Nelson, Spencer, Washington, 50
RASCHE, FRANK (D-Paducah) McCracken, 3
REINHARDT, JON DAVID (R-Alexandria) Boone, Campbell, Kenton, 69
RICHARDS, JODY (D-Bowling Green) Warren, 20
RIDLEY, J. DORSEY (D-Dixon) Caldwell, Hopkins, McLean, Webster, 12
RIGGS, STEVE (D-Louisville) Jefferson, 31
RINER, TOM (D-Louisville) Jefferson, 41
SANDERS, RICHARD A. "RICHIE," JR. (R-Smiths Grove) Edmonson, Grayson, Hardin, Warren, 19
SCORSONE, ERNESTO (D-Lexington) Fayette, 75
SHACKLETTE, DONNA (D-Louisville) Jefferson, 40
SHEEHAN, MARTIN J. (D-Covington) Kenton, 65
SMITH, BILLY RAY (D-Bowling Green) Simpson, Warren, 21

SMITH, REX (D-Grand Rivers) Crittenden, Livingston, McCracken, 4
STACY, JOHN WILL (D-West Liberty) Magoffin, Menifee, Morgan, Rowan, 71
STENGEL, DAVE (D-Louisville) Jefferson, 29
STUMBO, GREGORY D. (D-Prestonburg) Floyd, Martin, 95
TODD, THOMAS W. "TOMMY" (R-Nancy) Pulaski, 83
TRAPP, LESLIE (D-Lexington) Fayette, 78
TREESH, MARK A. (R-Philpot) Daviess, 14
TURNER, RICHARD A. (R-Tompkinsville) Allen, Monroe, Simpson, 22
WALTON, CHARLIE (R-Florence) Boone, Kenton, 66
WARD, MIKE (D-Louisville) Jefferson, 34
WAYNE, JIM (D-Louisville) Jefferson, 35
WORTHINGTON, PETE (D-Ewing) Bracken, Fleming, Mason, Robertson, 70
YATES, JAMES BERNARD (D-Shively) Jefferson, 44
ZIMMERMAN, JAMES F. (R-LaGrange) Oldham, Trimble, 59

HISTORY OF HOUSE RESOLUTIONS

(Numbers refer to page of House Journal. The text of a resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.)

***Voting modifications appear at the member's name in the subject index.**

Res. No.	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Sub. or Amend	Voting*	Senate Message	Concur Activities	Enrolled (Del. to Gov.)	Other Action
HR 1	525							525				
HCR 2	525							526				
HR 3	525							526				
HR 4	525							527				
HR 5	527							528				

SUBJECT INDEX

ACKERSON, JON

ADAMS, ROYCE

ADKINS, ROCKY

ALLEN, WILLARD "WOODY"

ALTMAN, RAY

ARNOLD, ADRIAN

BALLARD, EDDIE

BARROWS, JOE

BENTLEY, RUSSELL

BOWLING, MIKE

BROWN, MARK

BRUCE, JAMES

BRYANT, JO ELIZABETH

BUIS, JEFFREY

BURCH, TOM

BUTLER, DENVER

CALLAHAN, JIM

CAVE, STAN

CLARK, LARRY
HR 1

CLARK, PAUL

CLARKE, JOE
HR 1; HCR 2

COLEMAN, JACK

COLLINS, HUBERT

COMMENDATIONS AND RECOGNITIONS
Cassey, Zelner - HR 5

CRENSHAW, JESSE

CURD, FREED
HR 5

CYRUS, RON

DAMRON, ROBERT

DESKINS, HERBIE

DEWEESE, BOB

DISASTERS
Declaration of 5 Western Kentucky counties - HR 3

DONNERMEYER, BILL

FARLEY, DON

FARROW, MARK

FLOOD CONTROL AND WATER USAGE
Declare disaster, request for - HR 3

FORD, DANNY
HR 4

FOX, RICK

FRENCH, KENNY

GEDLING, DONNIE

GEE, WALTER

GENERAL ASSEMBLY
Adjourn, sine die - HCR 2
Adjourment - HR 5
House Rules, adoption of- HR 1
14th and 86th Districts, Certificates of Election filed - p. 523
Proclamation convening 3rd Extraordinary Session of 1993 - p. 525
Stationery allowance, waive - p. 525

GEVEDEN, CHARLES
HR 3

GOVERNOR
Proclamation convening 2nd Extraordinary Session of 1993 - p. 525

HAMPTON, ELBERT R.
Certificate of Election filed - pp. 523, 524

GRAHAM, DREW

GRAY, LEONARD

HANCOCK, HANK

HARPER, JOHN

HARPER, KEN

HATCHER, PORTER

HELERINGER, BOB

HOURIGAN, DAVE

JENSEN, TOM

JOHNSON, LOUIS

KEITH, STEPHEN

KERR, TOM

LEMASTER, JIM

LEAR, BILL

LEE, JIMMIE

LEGISLATIVE CITATIONS
LeCompte, Melvin Douglas - LC 1, p. 526
Virgin, Tonya Dee - LC 2, p. 527

LEWIS, RICHARD

LILE, BILL

LINDSAY, GROSS

LITTLE, CLAYTON

LONG, MARSHALL

LYNE, JUNE

MAGGARD, JIM

MASON, PAUL

MCELROY, SAM

MEMORIALS
Walker, Donald - HR 4

MOBERLY, HARRY

MORRIS, RAMSEY
HR 5

MULLINIX, RAY

NAPIER, LONNIE

NELSON, CHARLES "PREACHER"

NESLER, FRED

NOLAND, CLARENCE

NORTHUP, ANNE

NUNN, STEPHEN

PALUMBO, RUTH ANN

PEARMAN, VIRGIL

RAPIER, KENNY
HR 1; HCR 2

RASCHE, FRANK

REINHARDT, JON DAVID

RICHARDS, JODY
HR 1

RIDLEY, DORSEY

RIGGS, STEVE

RINER, TOM

SANDERS, RICHIE

SCORSONE, ERNESTO

SHACKLETTE, DONNA

SHEEHAN, MARTIN

SMITH, BILLY RAY

SMITH, REX

STACY, JOHN WILL

STENGEL, DAVE

STUMBO, GREG

TODD, TOMMY

TRAPP, LESLIE

TREESH, MARK A.
Certificate of Election filed - pp. 523, 524

TURNER, RICHARD

UNITED STATES
Declare disaster, request for - HR 3

WALTON, CHARLIE

WARD, MIKE

WAYNE, JIM

WORTHINGTON, PETE

YATES, JIM

ZIMMERMAN, JAMES